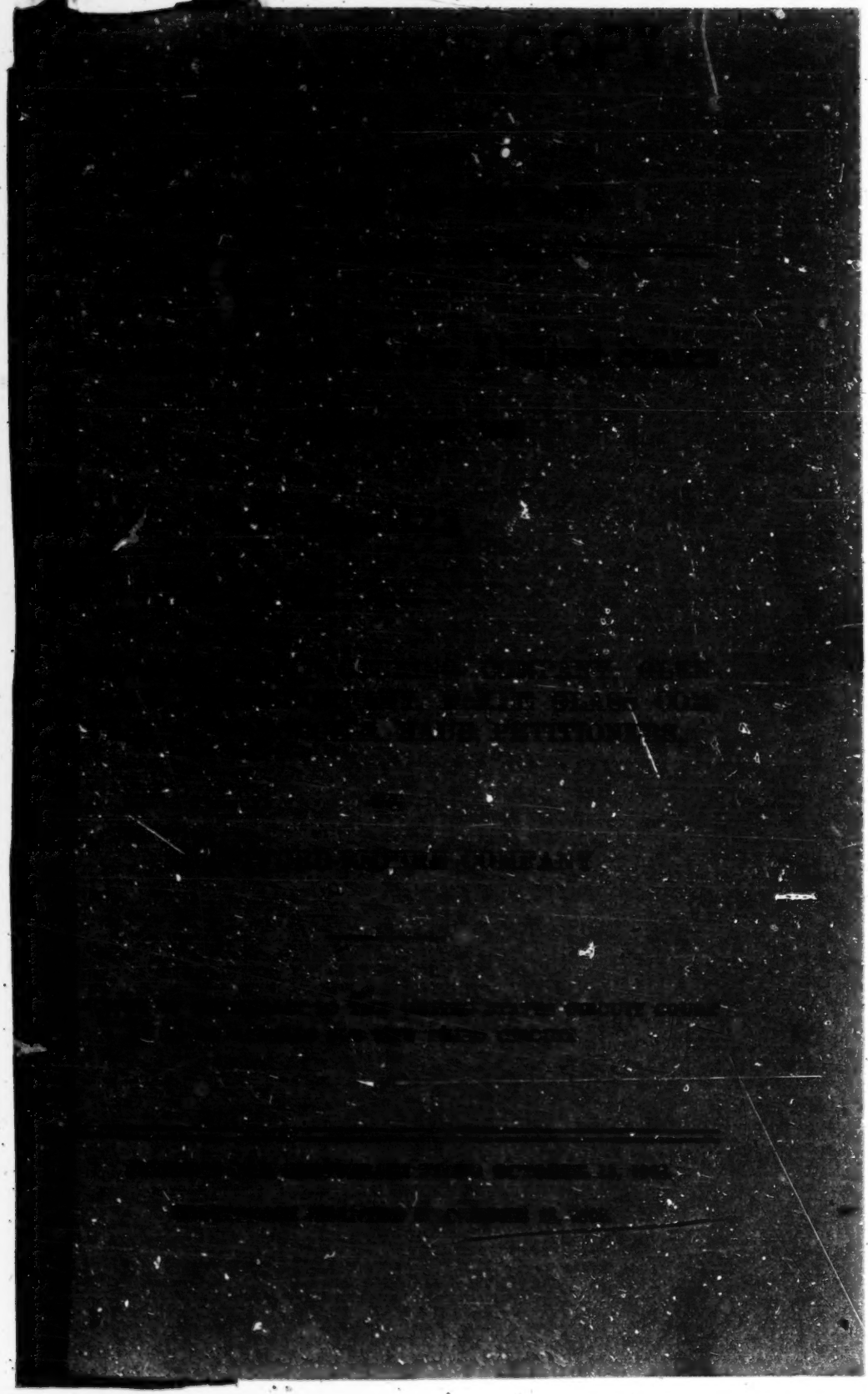


SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1943

No. 423

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY AND GEORGE R. HAUB, PETITIONERS,

vs.

HARTFORD-EMPIRE COMPANY

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

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[fol. a] [Stamp:] Office of the Clerk, Supreme Court, U. S. Sep. 2, 1943.

IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 5203

SHAWKEE MFG. CO., et al., Defendants-Appellants,

vs.

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee

PERTINENT DOCKET ENTRIES

October 24, 1941. Petition for Leave to File a Bill of Review and Affidavit of William B. Jaspert filed.

October 24, 1941. Brief in Support of Petition for Leave to File a Bill of Review filed.

October 31, 1941. Hartford Testimony & Correspondence Referred to filed.

December 5, 1941. Memorandum of Plaintiff in Opposition to Petition for Leave to File a Bill of Review filed.

December 5, 1941. Affidavits and Exhibits of Respondent-Plaintiff Hartford Empire Co. etc. filed in 4414.

December 5, 1941. Heard on Petition for Leave to File a Bill of Review etc. Coram: Biggs, Maris, Clark & Jones, JJ.

December 5, 1941. Petition of United States to file Amicus Curiae Brief etc. filed—granted.

December 12, 1941. Reply Memorandum of Petitioners, Chawkee Manuf. Co. et al., filed.

December 29, 1941. Opinion Per Curiam Denying Petition to File a Bill of Review etc. filed.

December 29, 1941. Copy of opinion to Wm. B. Jaspert.

January 7, 1942. Amendment to Defendants Petition filed Oct. 24, 1941, and Supporting Memorandum, filed.

December 29, 1941. Order Denying Prayer of Petition for Leave to File Bill of Review in District Court and Granting Leave to Otherwise Amend the Prayer of the Petition filed.

February 3, 1942. Reply to Amended Petition of Defendant to Vacate Decree etc. filed.

February 4, 1942. Acknowledgment of Service of Reply to Amended Petition filed.

February 17, 1942. Brief for Respondent filed (Hartford Emp. Co.).

February 19, 1942. Acknowledgment of Service of Brief for Respondent filed.

February 24, 1942. Brief in Support of Amended Petition for Rehearing etc. filed.

February 24, 1942. Appendix to Brief in Support of Amended Petition for Rehearing etc. filed.

February 27, 1942. Reargued on Petition for Leave to File a Bill of Review, Coram: Biggs, Maris, Clark & Jones JJ.

March 4, 1942. Affidavit of John S. McCarthy filed in No. 4414.

March 10, 1942. Reply brief for Respondent Hartford Empire Co. filed.

March 11, 1942. Acknowledgment of Service of Respondents Brief filed.

June 30, 1943. Opinion of the Court by Jones, J. filed.

June 30, 1943. Dissenting Opinion by Biggs, J. filed.

June 30, 1943. Order Denying Petition of Appellants to Vacate Decree, Judge Biggs Dissenting filed.

[fol. b] IN THE UNITED STATES CIRCUIT COURT OF APPEALS,
THIRD CIRCUIT

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants

In Equity No. 2791

PETITION FOR LEAVE TO FILE A BILL OF REVIEW

AFFIDAVIT OF WILLIAM B. JASPERT

BILL OF REVIEW

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[fol. 1] To the Honorable, the Judges of the United States Circuit Court of Appeals for the Third Circuit:

Now come, Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub, your petitioners, and respectfully represent and show to this Honorable Court:

That on May 31, 1933 Hartford-Empire Company, plaintiff below, filed its bill of complaint (SR 3) in the United States District Court for the Western District of Pennsyl-
[fol. 2] vania alleging infringement of United States Letters Patent to Peiler No. 1,655,391 (SR 311) dated January 3, 1928 for apparatus and method of mechanically feeding molten glass to the molds of ware-forming machines.

That Peiler Patent No. 1,655,391 discloses an apparatus for feeding suspended charges of molten glass to the molds of ware forming machines by means of a reciprocating plug or plunger which acts upon the glass to extrude it through a submerged feeding orifice, whereas the petitioners' Shawkee feeder (SR 45) did not employ any reciprocating implement whatsoever but utilized air pressure and vacuum to control the flow of glass as disclosed in the expired patents to Hitchcock No. 805,068 (SR 359) and RE-13,929 (SR 351) granted November 21, 1905.

That because petitioners' feeder did not employ any of the apparatus of the patent in suit, infringement was charged only on method claims 9, 10, 11, 12, 13, 14 and 46, most of the remaining sixty claims of the patent in suit being for apparatus, which the petitioners' structure did not employ.

That on the same date, to wit: May 31, 1933, the plaintiff, in reliance upon this Court's former decision in a suit entitled Hartford-Empire Co. v. Hazel-Atlas Glass Co., reported in 59 F. (2d) 399, in which the same Peiler Patent No. 1,655,391 was held valid and infringed, filed its motion for preliminary injunction (SR 24), accompanied by affidavits in support thereof.

That on June 10, 1933, the petitioners filed their opposition to plaintiff's motion for preliminary injunction (SR 73), accompanied by affidavits in support thereof.

Reference to Shawkee et al. Record is herein marked (SR).

Reference to Hazel-Atlas Record is herein marked (HR, vol. —).

That on June 22, 1933, the District Court (per Judge McVicar) filed and entered its opinion granting the preliminary injunction against petitioners (SR 259).

[fol. 3] That on June 27, 1933, the petitioners filed their answer denying validity and infringement of said Peiler Patent No. 1,655,391 (SR 15).

That on June 27, 1933 the District Court filed and entered its decree (SR 262) directing that a preliminary injunction issue against petitioners, which injunction issued June 28, 1933.

That thereafter, petitioners having perfected their appeal to this Court, said appeal came on for hearing upon the briefs and arguments of counsel on October 3, 1933, and that upon the hearing before this Court it was agreed that the case might be disposed of as if on final hearing.

That thereafter and on to wit: January 11, 1934, this Court filed its opinion (68 F. 2d, 726); (SR 489) in which opinion the Court referred to its former opinion in Hartford-Empire Company vs. Hazel-Atlas Glass Company (59 F. 2d, 399) wherein the said Peiler Patent No. 1,655,391 had previously been adjudicated, and stated, that having held the patent valid and broad enough to cover the Hazel-Atlas Glass Company's reciprocating plunger device * * *

> "For the same reasons we hold that the claims of the patent here in suit are broad enough to cover the defendants' device."

The Court ordered a dismissal of the appeal, and remanded the case for proceedings in due course.

That on February 8, 1934 your petitioners filed their petition for rehearing in this Court, which was denied February 21, 1934 (SR 495-503).

That on April 3, 1934 your petitioners filed their petition for Writ of Certiorari in the Supreme Court of the United States, which was denied on May 7, 1934.

[fol. 4] That on May 29, 1934, your petitioners filed in this Court, petition for leave to file a bill of review (SR 505) grounded on the decisions in other Federal jurisdictions and a decision of the British House of Lords involving plaintiff's glass feeding patents, which was denied without opinion on July 23, 1934 (SR 523).

That on September 7, 1934 your petitioners filed petition for Writ of Certiorari in the Supreme Court of the United

States for a review of said decision next above recited, which was denied October 15, 1934.

That thereafter the mandate (SR 529) of this Court was transmitted to the District Court and was duly filed and entered in said Court on October 17, 1934.

That pursuant to said mandate, on October 19, 1934, the District Court entered its Decree and Order of reference for an accounting.

That on October 24, 1934, your petitioners filed in this Court petition to amend and reform the mandate (SR 534), which was denied November 14, 1934.

That on April 8, 1935 your petitioners filed petition for leave to file a bill of review (SR 537) in this Court grounded on newly discovered evidence growing out of the prior testimony of the predecessor of the plaintiff in the unreported and undecided case of Hartford-Fairmont Glass Company vs. Berney-Bond Glass Company, which petition was denied without opinion on July 3, 1935.

That on October 1, 1935, your petitioners filed petition for Writ of Certiorari in the Supreme Court of the United States for a review of said decision next above recited, which on October 28, 1935 was denied.

That on March 5, 1938, the case being in an interlocutory stage of accounting before the Special Master, your peti- [fol. 5] tioners filed petition in this Court for leave to file a petition for rehearing and to file a supplemental amendment to the answer in the District Court of the United States for the Western District of Pennsylvania grounded on the issuance of two patents to the plaintiff (Nos. 2,073,571 and 2,073,572) as the result of a suit brought by plaintiff against the Commissioner of Patents on applications filed in 1910 and 1914, the patents being for the same generic invention that this Court had attributed to Peiler Patent No. 1,655,391 in the Hazel-Atlas Glass Company and Shawkee et al. decisions, which petition was denied May 31, 1938 without opinion.

That the report of the Special Master for an accounting of profits to plaintiff having been filed, a final Order of Court closing the litigation was entered February 14, 1939.

That since the rendition and entry of the decree aforesaid, your petitioners have discovered new matter of consequence in the said cause, Particularly and Separately Set Forth as Follows:

That in the now pending and undecided suit entitled United States of America vs. Hartford-Empire Company et al., civil action, Case No. 4426, being tried in the District Court at Toledo, Ohio, charging, inter alia, violation of Sections 1 and 2 of the Sherman Act and Section 3 of the Clayton Act by unlawfully conspiring and monopolizing patents covering the manufacture and licensing of glass making machinery, there was introduced into evidence, testimony of one R. F. Hatch, and documentary exhibits,* establishing that an article entitled "Introduction of Automatic Glass Working Machinery; How Received by Organized Labor," [fol. 6] allegedly written by William P. Clarke,** President of the American Flint Workers Union, and published in the National Glass Budget, July 17, 1926, at Pittsburgh, Pennsylvania, was written by Hartford-Empire Company's patent solicitor, R. F. Hatch, at the instigation of the company's chief patent counsel and Vice President, R. D. Brown.

That said R. D. Brown suggested the publication of said article to Henry W. Carter, in charge of the patent department of the Owens Glass Company (which had a cross license arrangement with Hartford-Empire Company) for the purpose of influencing the Patent Office Examiner to a more favorable consideration of Hartford's broad claims in the then-pending application of patent No. 1,655,391, and the article was so employed by Hartford.

That at the hearing on appeal before this Court in the case of Hartford-Empire Co. v. Hazel-Atlas Glass Co., 59 F. (2d) 399, this Court was induced to accept the statements of the Clarke article as establishing that the invention of Peiler Patent No. 1,655,391 was revolutionary, and in reliance upon said article this Court reversed the trial court

---

* Profert of certified copies of said testimony and all of the documentary evidence is hereby made.

** It appears from the aforementioned testimony and exhibits that on May 24, 1932, after this Court's decision in the Hazel-Atlas case, William P. Clarke, having suffered financial reverses, asked R. F. Hatch for ten thousand dollars ($10,000.00), and Hatch paid Clarke five hundred ($500.00) dollars in cash on August 4th or 5th, 1932, and seventy-five hundred ($7,500.00) dollars in cash on August 10, 1932.

(per Judge Gibson) and gave the patent a broad generic scope, with the Honorable Judge Woolley sharply dissenting.

That the facts establishing the falsity of the Clarke article, why and how it was prepared, and the manner in which it was employed in the Patent Office to obtain the patent, and in this Court to obtain a favorable decision upholding the patent, appear as follows:

[fol. 7] In the letter dated December 11, 1925 addressed to Henry W. Carter, written by R. D. Brown, he states:

> "The other day in Washington we discussed in a rather joking way, the possibility that you might write up an article describing the revolution produced in the glass business by the plunger gob feeding system. The more I think of this the better the idea seems and I am writing to enquire whether you would seriously care to undertake the preparation of such article to be signed either by yourself or someone else.
>
> "As you will no doubt recall, the importance of this matter lies in the fact that we must soon make a record before the Patent Office, in connection with the principal Steimer case and also in our Peiler plunger case, where we hope to obtain claims, covering the broad ideas of feeding suspended mold charges shaped by the action of a plunger."

In a letter dated May 25, 1926, written by Henry W. Carter to W. H. Boshart, President of the Owens Bottle Company, he said:

> "It occurs to me that I should make myself more clear about the purpose of this Hatch article.
>
> "He has prepared it with the idea of getting it printed under the name of some apparently unprejudiced authority, and then calling the attention of the Patent Office Examiner to the article as published, in the belief that the Examiner will thereby be influenced to a more favorable consideration of Hartford's broad claims.
>
> "Of course we are equally interested with Hartford in securing these broad claims, and therefore indirectly interested in having the article published."

[fol. 8] In an amendment filed in the United States Patent Office, dated June 23, 1926, three weeks prior to the publica-

tion of the Clarke article in the National Glass Budget, Hartford-Empire Company stated under the Remarks, first paragraph (HR, Vol. V, p. 226):

> "For the Examiner's information, a discussion of the subject-matter of this case is being prepared, with affidavits and exhibits, showing the widespread recognition by the glass art of the novelty and great value of the features claimed herein, * * *"

On October 12, 1926, plaintiff, Hartford-Empire Company, filed in the Patent Office a number of affidavits and exhibits, including a copy of the National Glass Budget publication of the Clarke (Hatch) article, which, as stated in the "Remarks" accompanying the amendment (HR, Vol. V, p. 261), were:

> "* * * intended to lay before the Patent Office certain material facts relating to the development of the type of glass feeders to which this application relates * * *."

And therein it was further stated that:

> "The rapid and widespread commercial adoption of suspended-charge glass feeders, particularly plunger feeders, is an interesting and remarkable story. * * *"

With reference to the Clarke article, it is stated (HR, Vol. V, p. 263):

> "The article published in the National Glass Budget for July 17, 1926, by William P. Clarke, President of the American Flint Glass Workers' Union, is an interesting account of the introduction of automatic glass machinery and its reception by the labor unions. * * *"

[fol. 9] The applicant's remarks further stated, with reference to the Clarke article (HR, Vol. V, p. 264-265):

> "* * * The curves shown on this chart are interesting as showing that the production on the Owens machines fell off at just about the time when the suspended-charge feeders got under way. * * *
>
> "The conclusion of the whole matter is, that the suspended-charge feeder has accomplished a revolution in the glass art, * * *. It is submitted, therefore, that these claims are entitled to favorable consideration, which is respectfully solicited."

That by reason of the publication of the Hartford-Hatch article over the name of William P. Clarke, President of the American Flint Glass Workers Union, this Court in the Hartford-Empire Company vs. Hazel-Atlas Glass Company case was induced, by reference to the Clarke article on page 18 of plaintiff's brief, to accept the statements contained therein as reason for sustaining the patent in suit. This Court in the Hazel-Atlas decision (59 F. 2d, 399) devoted several pages of its opinion to a discussion of the Clarke article as a basis for extending a broad generic scope to Peiler Patent No. 1,655,391 and to embrace within that patent the radically different method of the Hazel-Atlas device.

That the Court prefaced its discussion of the Clarke article by reference to its former decision in Consolidated Window Glass Co. v. Window Glass Machine Co., 261 Fed. 362, as showing that because of the hostility of labor unions to labor supplanting machinery, any favorable statements of the unions could be accepted as true.

That with reference to the Clarke article, the court, beginning page 401, said:

> "As we have indicated, the labor organizations were vitally interested in the supplanting of hand blowing by [fol. 10] mechanical blowers, and we naturally look to the proceedings of their several organizations to find what machine blowers were of practical working capacity and ones which they regarded as supplanting lung blowing. We can therefore, and do, rely on their opinion in that regard, for successful machine blowers largely spelled ending of the supremacy of lung blowing. * * *"

That because of the plaintiff's fraudulent act of publishing the article as taken from the proceedings of the Glass Blowers Union, which was allegedly adamantly opposed to the introduction of mechanical blowing machines, this Court (Judges Buffington and Davis, Judge Woolley dissenting) was induced to accept the statements of the Clarke article as true, when in fact they are false, and this Court was further induced thereby to attribute a broad scope to the Peiler patent in suit, which differed sharply from the decision of the District Court (Judge Gibson) and the dissenting opinion of Judge Woolley, both of whom restricted the patent to the precise mechanism which it disclosed.

That because of the broad scope attributed to Peiler Patent No. 1,655,391 in the Hazel decision, this Court said, in its Shawkee decision, that it would be unnecessary to further consider validity or infringement, and held the petitioners' Shawkee air impulse feeder to be an infringement of Peiler plunger Patent No. 1,655,391.

That the Clarke article is false and untrue and not based on fact appears from the Hatch and Carter letters, as follows:

In the letter of Carter to Boshart of May 25, 1926, he states:

> "Under the circumstances, I do not see that we need be very critical in our treatment of the article. *If not too rank*, would say that we better let it go through. * * *"

[fol. 11] In a letter by Hatch to Carter, April 19, 1926, he states:

> "I received this morning your letter relating to my proposed article on "Feeding". I appreciate your comments very much indeed and I think there is but one point on which you failed to appreciate my exact position. That is, I prepared this article so far as possible with reference only to the proceedings of The Bottle Blowers Association, *and knowingly and intentionally I reproduced some of the errors found therein.*
>
> "For example, in any statement as to the number of Owens machines in use, I have used the numbers given in the proceedings, *even when I know this was not correct.* * * *"
>
> (Emphasis Ours)

In a letter written by Hatch to Carter, April 19, 1926, he states:

> "* * * Of course, I think you understand that the whole object of the article is to make an excuse to get the production curves and a few statements in regard to gob feeding into print."

That the production curves showing the relative increase of the gob feeder over the Owens machine were in themselves false appears from the letter by Carter to Hatch, April 17, 1926, as follows:

> "Am not sure that I quite understand your "increase" line. The falling off for Owens in 1921 was entirely

due, I take it, to the general collapse of business during that year, and I should expect it to be more or less paralleled by a falling off in feeder production. * * *"

[fol. 12] In reply to this, Hatch, by letter dated April 28, 1928, said:

"You spoke, in one of your letters, about the depression in business during the year 1921. You may be interested in the enclosed chart which shows the relative loss in business by Hartford and Owens at that time. I cannot understand why there was so much greater drop in the Owens production, unless it be that our production records are based on the royalty paid and it might be that the actual business done was much less than that indicated by the minimum royalties which had to be paid anyway."

That from the Carter-Hatch letters it appears that the Hartford curve of feeder production was based on minimum royalties and not on actual production. It further appears from the curves in the National Glass Budget article that there was no drop in either Owens or Hartford feeder production for the year 1921, and that the drop referred to in the Carter and Hatch letters were intentionally not reproduced in the National Glass Budget chart.

That counsel for petitioners, after hearing in this Court, learned that the Clarke article was published at the request of Hartford-Empire Company, and your petitioners, by letter dated October 31, 1933, addressed to the Hon. Joseph Buffington, directed this Court's attention to the fact that it had been submitted to the National Glass Budget by Hatch with the request to publish it over the name of Clarke, as appears from the correspondence (proffer of which is hereby made).

That it further appears from said correspondence that neither counsel for the Hazel-Atlas Glass Co. or the Shawkee Manufacturing Company knew that it was written by Hatch or that it was false, and that the true facts were not then available to counsel and were suppressed by plaintiff. [fols. 13-14] That your petitioners were unable, by reason of the extent and character of the investigation necessary and even by the use of all proper and reasonable diligence in discovering the matters herein presented, to prepare and file any petition for leave to file bill of review in said cause prior to June, 1941 when the Hatch testimony was concluded

in the Government suit at Toledo, and the newly discovered evidence was not known to petitioners until the latter part of July, 1941 when counsel for petitioners reviewed the transcript of the record of testimony at the Federal Building, Toledo, Ohio, as appears from the attached affidavit of William B. Jaspert.

That the newly discovered evidence is indisputably true and material and may induce a different decree in this cause.

Your Petitioners Therefore Pray that they may be at liberty to file a bill of review for the purpose of having said decision of this Court, dated January 11, 1934, reviewed, reversed and set aside; your petitioners further pray for an order directing that the plaintiff, Hartford-Empire Company, may be served by mailing a copy of the bill of review to its general offices at Hartford, Connecticut, and your petitioners further pray this Honorable Court that at the hearing thereof an order be made by this Court granting petition for leave to file in the District Court for the Western District of Pennsylvania the bill of review, copy of which proposed bill is attached hereto.

Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company, George R. Haub, by William B. Jaspert, Their Attorney.

October 21, 1941.

[fol. 15] In the United States Circuit Court of Appeals, Third Circuit.

No. 5203

Hartford-Empire Company, Plaintiff-Appellee,

vs.

Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub, Defendants-Appellants

In Equity No. 2791

On Petition for Leave to File the Bill of Review

Affidavit of William B. Jaspert

State of Pennsylvania,

County of Allegheny, ss.:

William B. Jaspert, being duly sworn, deposes and says:

I have been engaged in the practice of patent law since 1921 and maintain an office at 1422 Farmers Bank Building, Pittsburgh, Pennsylvania.

[fol. 16] I was attorney for petitioners, Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub throughout the proceedings in the above-entitled suit.

On July 22, 1941 I inspected the transcript of record and documentary evidence adduced in the trial entitled United States of America, Plaintiff, vs. Hartford-Empire Company et al., Defendants, Civil Action Case No. 4426 in the District Court at Toledo, Ohio, to discover certain facts pertaining to a transaction between one of your petitioner companies (Glenshaw Glass Company, Pittsburgh, Pennsylvania); George E. Howard and the Hartford-Empire Company, and while so engaged I discovered the testimony of R. P. Hatch and the letters referred to therein with reference to the preparation and publication of an article published over the name of William P. Clarke, President of the American Flint Glass Workers Union, appearing in the July 17, 1926 issue of the National Glass Budget at Pittsburgh, Pennsylvania, the article being entitled "Introduction of Automatic Glass Working Machinery; How Received By Organized Labor".

Recalling that the authenticity of this article was in question after hearing in the Shawkee case and that certain correspondence had passed between Hon. Thomas G. Haight, senior counsel for Hartford-Empire Company, and Otto R. Barnett, senior counsel for Shawkee Manufacturing Company, and the Hon. Joseph Buffington of the Court of Appeals for the Third Circuit, I made a careful examination of the Hatch testimony and the letter exhibits referred to therein.

Believing the newly discovered evidence to be of a character evidencing misconduct by Hartford-Empire Company in the procurement of Peiler Patent No. 1,655,391 from the Patent Office and in the procurement of favorable decrees of the Court of Appeals in the suits entitled Hartford-Empire [fols. 17-18] Company v. Hazel-Atlas Glass Company (59 F. 2d, 399) and Hartford-Empire Company v. Shawkee Manufacturing Company et al; (68 F. 2d, 726), I have made a careful study and analysis of the said testimony and evidence and have diligently applied myself in the preparation of the petition, the bill of review and the brief.

Upon inquiry made of the personnel of the Anti-Trust Division of the Department of Justice in charge of the Toledo suit, I was informed that the letters referred to in the

petition were taken from the files of the Hartford-Empire Company and the Owens-Illinois Glass Company by Government Investigators, and that these letters have been certified by the named corporate parties as coming from their files.

Other than the letter dated July 9, 1926 by R. F. Hatch to the National Glass Budget requesting that the article be published over the name of William P. Clarke, I had no knowledge prior to July 22, 1941 that the Clarke article was false or that it was written by R. P. Hatch at the suggestion of R. D. Brown, or that it was published to induce the Patent Office to grant broad claims in the Peiler plunger patent, or any of the matters establishing that the article is not based on fact, as set forth in the petition for leave to file a bill of review.

Wherefore, the newly discovered evidence could not sooner have been available to your petitioners and was not known to affiant.

William B. Jaspert.

Subscribed and sworn to before me a Notary Public this 21st day of October, 1941. Eva G. Scardamalia. My Commission expires January 27, 1945.

[fol. 19] UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA

Civil Action No. —

HARTFORD-EMPIRE COMPANY, Plaintiff,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB, Defendants

BILL OF REVIEW

To the Honorable Judges of the United States District Court for the Western District of Pennsylvania:

Your petitioners, Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub respectfully represent and show to the Court:

I

That on May 31, 1933 Hartford-Empire Company, plaintiff, filed its bill of complaint in this Court alleging infringement of United States Letters Patent to Peiler No. 1,655,391 dated January 3, 1928 for apparatus and method of mechanically feeding molten glass to the molds of ware-forming machine.

II

That on the same date, to wit: May 31, 1933, in reliance upon the decision of the Court of Appeals in the case of [fol. 20] Hartford-Empire Co. v. Hazel Atlas Glass Co., 59 F. (2d) 399, holding patent 1,655,391 valid and infringed, plaintiff filed its motion for preliminary injunction, accompanied by affidavits in support thereof.

III

That on June 10, 1933 petitioners filed their opposition to plaintiff's motion for preliminary injunction, accompanied by affidavits in support thereof.

IV

That on June 22, 1933, this Court (per Judge McVicar) filed and entered its opinion granting the preliminary injunction against petitioners.

V

That on June 27, 1933, the petitioners filed their answer denying validity and infringement of said Peiler Patent No. 1,655,391.

VI

That on June 27, 1933 this Court filed and entered its decree directing that a preliminary injunction issue against petitioners, which injunction issued June 28, 1933.

VII

That thereafter, petitioners having perfected their appeal to the Court of Appeals, said appeal came on for hearing upon the briefs and arguments of counsel on October 3, 1933, and that upon the hearing it was agreed that the case might be disposed as if on final hearing.

VIII

That thereafter and on to wit: January 11, 1934, the Court of Appeals filed its opinion (68 F. 2d, 726) in which opinion the Court referred to its former opinion in Hartford-Empire Company vs. Hazel-Atlas Glass Company (59 [fol. 21] F. 2d 399) wherein the said Peiler Patent No. 1,655,391 had previously been adjudicated, and stated, that having held the patent valid and broad enough to cover the Hazel-Atlas Glass Company's reciprocating plunger device • • •

> "For the same reasons we hold that the claims of the patent here in suit are broad enough to cover the defendants' device."

The Court of Appeals ordered a dismissal of the appeal and remanded the case for proceedings in due course.

IX

That on February 8, 1934, petitioners filed petition for rehearing in this Court, which was denied February 21, 1934.

X

That on April 3, 1934 petitioners filed their petition for Writ of Certiorari in the Supreme Court of the United States, which was denied on May 7, 1934.

XI

That on May 29, 1934 and on April 8, 1935 your petitioners filed in the Court of Appeals petition for leave to file a bill of review grounded on the decisions in other Federal jurisdictions and on a decision of the British House of Lords involving plaintiff's feeder patents, and on newly discovered evidence growing out of the prior testimony of the predecessor of the plaintiff in the unreported and undecided case of Hartford-Fairmont Glass Co. v. Berney-Bond Glass Co., which petitions were denied July 23, 1934 and July 3, 1935, respectively.

XII

That on March 5, 1938, the case being in an interlocutory stage of accounting before the Special Master, your petitioners filed petition in the Court of Appeals for leave to file

[fol. 22] petition for rehearing and to file a supplemental amendment to the answer in this Court, grounded on the issuance of two patents to plaintiff Nos. 2,073,571 and 2,073,572 as the result of a suit brought by plaintiff against the Commissioner of Patents on applications filed in 1910 and 1914, which patents were for the same generic invention that the Court of Appeals had attributed to Peiler Patent No. 1,655,391 in the Hazel-Atlas Glass Company and Shawkee et al. decisions, which petition was denied May 31, 1938.

XIII

That the report of the Special Master for an accounting of profits to plaintiff having been filed, a final Order of Court closing the litigation was entered February 14, 1939.

That since the rendition and entry of the decree aforesaid, your petitioners have discovered new matter of consequence in the said cause, Particularly and Separately Set Forth as Follows:

XIV

That in a civil action, Case No. 4426, entitled United States of America vs. Hartford-Empire Company et al., now pending in the District Court at Toledo, Ohio, charging, inter alia, violation of Sections 1 and 2 of the Sherman Act and Section 3 of the Clayton Act by unlawfully conspiring and monopolizing patents covering the manufacture and licensing of glass machinery, there was introduced into evidence, testimony of one R. F. Hatch, and documentary exhibits, establishing that an article by Mr. William P. Clarke, President of the American Flint Glass Workers Union published in the July 17, 1926 issue of the National Glass Budget at Pittsburgh, Pennsylvania, was written by R. F. Hatch, a patent solicitor in the employ of Hartford-Empire Company, at the instigation of R. D. Brown, patent [fol. 23] counsel for Hartford-Empire Company, for the purpose of inducing the Patent Office to grant broad claims in Peiler Patent No. 1,655,391; that said article was procured by the plaintiff's corruption of Clarke, for which the said Clarke, after the decision of the Court of Appeals in the Hazel-Atlas Glass Company case, demanded payment of Ten Thousand ($10,000.00) Dollars, of which the plaintiff paid Eight Thousand ($8,000.00) Dollars in two installments: August 4, 1932 and August 10, 1932.

XV

That the said publication, which purported to be taken from the proceedings of the Glass Blowers Union, was prepared by said R. F. Hatch with the cooperation of Henry W. Carter in charge of the Patent Department of the Owens Glass Company to impress the Patent Office with the importance of suspended charge feeding in the glass industry, and that the glass feeding method was rapidly displacing the Owens suction machine method.

XVI

That the said R. F. Hatch, with the knowledge of Henry W. Carter, knowingly and intentionally misrepresented the facts and falsified production curves that were published in the Clarke article.

XVII

That on appeal from the decision of this Court in the case of Hartford-Empire Company v. Hazel-Atlas Glass Company, the plaintiff induced the Court of Appeals, by reference to the Clarke article in the plaintiff's brief, to accept the statements contained therein as reason for sustaining the patent in suit, and to extend to the patent a broad generic scope to embrace within that patent the radically different method of the Hazel-Atlas Glass Company's feeder, which this Court (per Judge Gibson) had held not to come under the scope of Peiler Patent No. 1,655,391.

[fol. 24]

XVIII

That because of the broad scope attributed to Peiler Patent No. 1,655,391 in the Hazel-Atlas decision and in reliance upon that decision, this Court (per Judge McVicar) was induced to hold the Shawkee feeder method to be an infringement of that patent, which holding was affirmed by the Court of Appeals.

XIX

That petitioners are advised that under the aforesaid circumstances, the Decree in the Shawkee case, in conse-

quence of the discovery of such new matter as aforesaid, ought to be reviewed and reversed, and that a Decree dismissing the Bill herein for want of equity should be entered by this Court.

XX

And your petitioners further pray that the said suit may be revived against the Hartford-Empire Company or that said company may show good cause to the contrary, and that the last decision and/or proceedings thereon may be revived and reversed, and that the said first-mentioned Decree may be set aside and a new Decree be entered vacating this Court's Order for Injunction granted June 22, 1933, and vacating this Court's Order entered October 19, 1934 for reference on accounting, and further direct the plaintiff to pay your petitioners the monies received by the plaintiff in settlement of the accounting, and to reimburse your petitioners for the cost of the suit, the cost of the accounting and the cost of the present proceedings, and to award your petitioners the damage which they have sustained from the loss of sales of its feeder devices because of the injunction, and to reimburse Glenshaw Glass Company and McKee Glass Company the amount of royalties they have paid to the plaintiff since the Court of Appeals decision, January 11, 1934.

[fol. 25] To the end, therefore, that the said Hartford-Empire Company may show cause why your petitioners should not have the relief therein prayed for and make full, true and perfect answer as to the several matters hereinbefore averred and set forth, may it please your Honor to grant to the petitioners a writ of subpoena ad respondendum issued out of and under the seal of this Honorable Court and directed to the plaintiff, Hartford-Empire Company, commanding it to appear and make answer to this Bill of Complaint and to perform and abide by the Order and Decree herein as to this Court may seem required by principles of equity, and your petitioners will ever pray.

Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company, George R. Haub, by William B. Jaspert, *Their Attorney.*

October 21, 1941.

[fol. 20-22] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB, Defendants-Appellants

PLAINTIFF'S MEMORANDUM IN OPPOSITION TO PETITION FOR LEAVE TO FILE A BILL OF REVIEW—Filed December 5, 1941

[fols. 20-22] [File endorsement omitted]

[fol. 23] Question Involved

The question in the case, as we understand defendants' brief, is whether the statements in the Clarke article were false and with this knowledge on the part of plaintiff were represented to be true.

We will also discuss in this brief, because it may possibly arise from some of the averments in the petition, the question of diligence in laying before this Court the fact that the Clarke article was not originally written, and the statistics upon which it is based not collected, by Mr. Clarke, but by Mr. Hatch of the plaintiff company.

Counterstatement of the Case

The statement of the case in defendants' brief should be supplemented. This is the *fourth* application by defendants for leave to file a bill of review. As stated in defendants' brief three petitions for a writ of certiorari have been filed and denied, one petition for rehearing, and an application to amend and reform the mandate. This, therefore, is the defendants' *ninth* application to escape the consequences of the decree since this case was decided by this Court. It follows closely on the heels of a suit for overdue royalties instituted by plaintiff against the Glenshaw Glass Company, one of the defendants.

Upon the filing of the bill an application was made for a preliminary injunction. This was heard by Judge McVICAR and granted on June 22, 1933. The defendants appealed to this Court. At the argument of the appeal, *their* counsel suggested that the case be decided by this Court on the record which was before the District Court and which consisted, so far as evidence is concerned, of affidavits and exhibits. The suggestion was agreed to by counsel for the [fol. 23-1] plaintiff and the Court. No evidence was offered attacking the validity of the patent. The whole question presented was one of infringement arising from defendants' contention that their accused apparatus and method were those of the prior art apparatus of the Hitchcock Patents No. 805,068 and Reissue No. 13,929. These patents had been previously held by the District Court for the Western Dis-

trict of Pennsylvania (Judges BUFFINGTON and SCHOOMAKER) not to be infringed by an apparatus known as the Miller feeder. (*Hartford-Empire Co.* v. *United States Glass Co.*, 2 F. (2d) 109.) The Miller feeder in essential respects was substantially the same as the feeder covered by Peiler patent in suit in the *Hazel-Atlas* case and the suit against these defendants. An application of Miller for a patent and an application for the Peiler patent in suit were in interference in the Patent Office at the time of the United States Glass Co. suit decision. The accused apparatus and method in the instant case were not the same as the Hitchcock patent. The accused apparatus had been built according to the disclosures of an application or applications for a patent of one George R. Haub, one of the defendants herein.

In the *Hazel-Atlas* case, Judge WOOLLEY had dissented on the ground that the accused device there did not *infringe* the Peiler patent in suit because, as he held, the latter was not entitled to a broad enough construction in view of its place in the art. However, in the case at bar he concurred with the majority, saying (68 F. (2d) 726, 727):

> "In the Hartford-Empire-Hazel-Atlas case, this court held the claims in suit valid and broad enough to cover the alleged infringing device there in question. Differing sharply as to the scope of the claims and, in consequence, differing on the issue of infringement, I dissented. Regarding myself bound by that [fol. 24] decision of the court, I concur in the findings of validity and infringement of the claims here in suit."

About three weeks after the present case was argued, Mr. Barnett, one of the counsel for the defendants, sent a communication to Mr. Haight, one of the counsel for the plaintiff, with which he enclosed certain documents and suggested that counsel for the plaintiff submit them to this Court and stated that if they did not feel inclined to do so, it was defendants' intention to promptly submit them to this Court. Mr. Haight and Mr. Barnett exchanged several letters and also wrote Judge BUFFINGTON, sending him at his request two copies of each letter for the other Judges who had heard the case in this Court. These letters are set forth in the affidavit of Mr. Haight herein (App. pp. 27-46).

In a letter written October 30, 1933 to Mr. Barnett by Mr. Haight, it was stated that counsel for the plaintiff felt

> "that the correspondence which you enclosed in your letter is evidentially irrelevant for several reasons and has no proper place in the record. *If, however, you desire that it should be placed before the Circuit Court of Appeals and that Court is willing to accept it, we will interpose no objection.*" *

On the day that this letter was written, but before it was received by Mr. Barnett, the latter forwarded the documents to Judge BUFFINGTON. In his letter he said:

> "It is quite true that these papers are probably not pertinent evidence in the present case for the reason that neither the Clarke article nor the other articles referred to in a Court of Appeals opinion in the Hazel-Atlas case are in evidence in the present record.
> [fol. 25] "It is true that they are contained in the Hazel-Atlas record and that the Hazel-Atlas record is in evidence in the present case. That fact merely shows what record was before this court in the Hazel-Atlas case but of course does not establish as proven facts in this case any matter shown in the Hazel-Atlas record.
> "The enclosed papers emphasize the importance of this distinction. If the Clarke article were in evidence in the present case these papers would be pertinent as newly discovered evidence.
> "Believing that these papers show that pertinent facts were withheld from the court when the Clarke article was introduced in evidence in the Hazel-Atlas case and that in the absence of the testimony of witnesses as to their origin and authenticity the same may be true as to other published articles relied on by the court in the opinion in the Hazel-Atlas case, I submit these papers for your Honor's consideration. I do not understand that their authenticity is challenged by the Hartford-Empire Co.".

It will thus be noted that the papers were sent to Judge BUFFINGTON for his "consideration", notwithstanding that

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* Where italics appear in quotations the emphasis is ours unless otherwise noted.

Mr. Barnett said that the papers were not "pertinent evidence" in the case, and that if the Clarke article were in evidence in the present case, "these papers would be pertinent as newly discovered evidence". A copy of Mr. Haight's letter of October 30th, as requested therein, was forwarded by Mr. Barnett to Judge BUFFINGTON.

On November 3, 1933, Mr. Haight wrote Judge BUFFINGTON advising him of the receipt of the papers from Mr. Barnett and of the fact that at that time he "knew nothing about any of these documents" and did not have time to read the photostats; that finally he had got in communication with his colleagues and as a result had written Mr. Barnett the letter of October 30th, in which he advised the [fol. 26] latter that while it was felt "that the papers" enclosed in his letter "were irrelevant and immaterial, and could not be considered by an appellate court", nevertheless, "if Mr. Barnett wished to bring them to the attention of your Court, and your Court was willing to have him do so, we would interpose no objection."

Near the end of the last letter to Judge BUFFINGTON, it was said:

> "• • • So far as we are concerned, *your Court may consider them (the documents), if it desires so to do,* as *a part of the record in this case,* although under the ordinary rules of procedure they could not be so considered."

In the first letter written by Mr. Haight to Mr. Barnett under date of October 24, 1933, it was said:

> "I am advised that the existence of the papers was known to counsel for the Hazel-Atlas Company *before* that case was heard in the Court of Appeals, and to counsel in another case in which the Hartford-Empire Company was the plaintiff, but no effort was made by counsel in either case to make any use of the papers. Indeed, the person who wrote one of the letters—I think Mr. Hatch—was produced at the trial by the Hartford-Empire Company at the request of counsel for the defendant in the second of the above cases mentioned, but he was not called."

In Mr. Haight's letter of November 3rd to Judge BUFFINGTON, it was said:

"• • • I was, however, able to get in communication by telephone with one of my associates in the above matter, and he told me that the existence of these letters was known to counsel for the defendant in both the Hazel-Atlas suit, and in another case which had been brought by the Hartford Empire Company in Ohio, [fol.27] *during the pendency of those cases*, respectively; and that no attempt had been made to offer them in either of those cases although in one of them the Hartford-Empire Company had, at the request of the defendant, produced at the trial Mr. Hatch, who wrote some of the letters, so that the defendant could use him as a witness."

The same was set forth in substance in Mr. Haight's letter of October 30th to Mr. Barnett.

Mr. Barnett followed up one of the leads given in these two quotations by writing a letter to counsel for the Hazel-Atlas Company, and sent a copy of his reply to Judge BUFFINGTON November 15th. Mr. Barnett stated in his letter that "Mr. Philbin's recollection is that while he suspected that the Hartford-Empire Company might have been responsible for the article (the Clarke article), he did not, at the time of the trial, know of the papers which I have submitted to you."

As appears from Mr. Haight's affidavit, Mr. Philbin's letter contained the further statement that his recollection was then "too indefinite to be positive and I would have to go through the voluminous collection of papers relating to the various Hartford-Empire litigations, including correspondence, before I could be more definite."

After receipt of a copy of Mr. Barnett's last mentioned letter to Judge BUFFINGTON, inquiry was made by one of the counsel for the *plaintiff* of Mr. Edmund P. Wood as to the information that he had, prior to the trial of the case in Ohio (*Nivison-Weiskopf* case) in June, 1929, and the trial of the *Hazel-Atlas* case 1929, that the Clarke article had been transmitted to the Glass Budget by Mr. Hatch of the Hartford-Empire Company and published through his instrumentality (App. p. 118). In reply to that letter Mr. Wood wrote on November 14th as follows (App. p. 119):

[fol. 28] "*Prior* to the trial of the Hazel-Atlas case in April 1929, we understood that Mr. Hatch was in-

strumental in having the article entitled 'Introduction of Automatic Glass Working Machinery; How Received by Organized Labor. By William P. Clarke' published in the Glass Budget and *were so told by Mr. Hatch.* You did produce Mr. Hatch at the Nivison-Weiskopf trial but we had no occasion to put him on the witness stand.

"I know we had the information in question *prior* to the Hazel-Atlas trial for I attended a portion of the trial and while in Pittsburgh personally discussed this matter at length with counsel for the Hazel-Atlas Company, and also with certain persons from the Hazel-Atlas Company who were active in connection with the trial."

A copy of Mr. Wood's letter was transmitted to Judge BUFFINGTON on November 17th and a copy of the letter to Judge BUFFINGTON and of Mr. Wood's letter were sent to Mr. Barnett on the same date.

The matter rested there until December 16, 1933, when Mr. Barnett wrote a long letter to Judge BUFFINGTON calling his attention to the then recent decision of the Supreme Court in *Keystone Driller Co.* v. *General Excavator Co.*, 290 U. S. 240, and claiming that it was applicable to this case and should call for a dismissal of the bill under "the clean hands doctrine". In this letter, Mr. Barnett stated that:

"In the present case it appears for the first time subsequent to the submission of the case in this court that in the prior suit (the Hazel-Atlas case) upon which plaintiff now relies, this court was influenced by a publication which first had been *instigated* and then invoked by plaintiff to secure a favorable action by the Patent Office when the application for the Peiler Patent here sued on, was pending and had re- [fol. 29] lied upon and invoked that publication and other publications which had never been introduced in evidence in the litigation but appeared in the record only because they appeared in the Patent Office file wrapper as matters which had been presented ex parte by the present plaintiff to support the application for the Peiler Patent and to overcome the action of the Patent Office in rejecting claims by Peiler upon

the disclosure of the Hitchcock Patent upon which the defendant here relies for justification of its action in making the machine here complained of.

"As to the Glass Budget article, the correspondence sent to your Honor since this case was submitted clearly shows that the publication of this article in the Glass Budget was *instigated* by the *ingenious brain of Mr. Hatch*, one of plaintiff's attorneys, was then used by another of plaintiff's attorneys as so-called evidence produced ex parte to support that attorney's contentions in his argument for a favorable action on the application for the Peiler patent here sued on as against the rejection of claims on the Hitchcock prior patent disclosure.

"Having thus obtained the issue of the patent upon such ex parte showing, and of course without disclosing to the Patent Office that the Glass Budget article had been instigated by plaintiff, we turn to the plaintiff's briefs in this court in the Hazel-Atlas case and find that plaintiff's attorneys quoted from this article and from other published articles, which had never been introduced in evidence or proven in any inter partes proceeding, as reasons why this court should sustain the Peiler patent."

To this letter counsel for plaintiff replied on December 26th, and stated that, in view of the extensive correspondence, "unless you desire that we should specifically answer Mr. Barnett's last letter, we will not do so." Thereafter, counsel were advised by the Clerk that the Court did not desire any further correspondence. The decision of [fol. 30] this Court immediately followed. Thereafter came the many motions, petitions, and applications referred to above and set forth in more detail in the petition herein.

In the Shawkee petition to this Court for rehearing, substantially the same contentions were made in respect to the Clarke article as were made in the last of the above-quoted letters from Mr. Barnett to Judge Buffington. It was stated that the article was "instigated by plaintiff and published at plaintiff's urgent request"; that these facts had deprived "the Glass Budget article of all evidentiary value and to that extent cuts the supports from under the reasoning of this Court in the *Hazel-Atlas* case"; that the plaintiff did not come into court with clean hands "where

it relies upon a prior decision which rests in large part upon this self-serving and apparently *home-made* 'evidence' "; and that the article had never been proven "as evidence of any fact therein stated either in the present case or in the *Hazel-Atlas* case".

Argument

The many moves which the defendants have made in this case subsequent to the decision of this Court call to mind what Chief Justice TAFT said in *Toledo Scale Company* v. *Computing Scale Company*, 261 U. S. 399, 425:

> "• • • As Mr. Justice Story remarked in *Ocean Ins. Co.* v. *Fields*, 2 Story, 59, Fed. Cas. No. 10,406; 'It is for the public interest and policy to make an end to litigation; or, as was pointedly said by a great jurist, that suits may not be immortal while men are mortal.' "

The gravamen of the present application as disclosed by defendants' brief seems to be that the Clarke article was [fol. 31] false and was used by the plaintiff in the Patent Office and in its brief in this Court with knowledge of such falsity. Secondarily, some point, exactly what is not clear, it attempted to be made of the fact that the Clarke article was not originally prepared by him but by Mr. Hatch. Our argument will be addressed to these matters.

Point I

There is no sufficient showing that the statements in the Clarke article, especially those relied upon by this Court in its opinion in the *Hazel-Atlas* case, were false or that any of them were incorrect in any respect which could possibly have any effect on the decision in this case.

1. We invite a careful reading of the Clarke article (a photostatic copy of the original manuscript of which is set forth in the Appendix, pp. 79-94). After the introductory part to the effect that the introduction of automatic bottle making machinery had not caused any "antagonistic action" on the part of organized labor "to prevent the use of the new machines", the article proceeds with a historical discussion from 1892 on through the advent of the gob feeding devices, pointing out the fear which the introduction of

different kinds of automatic machinery created in the ranks of organized labor, the attitude of labor towards them, the efforts which labor made to adjust itself to the new conditions, the only commercial devices which were in use, and the effect of the early devices on labor. The commercial devices discussed were the Owens suction machine, which was the pioneer automatic bottle making machine, the [fol. 32] Brooke stream feeding device, which followed the Owens, and then the gob feeding devices.*

The original article signed by Clarke contains a number of references to the authorities for the statements made therein. It also contains quoted extracts from statements made by two presidents of the Glass Bottle Blowers' Association in reports made to the Association. In addition, it sets forth in graph form the respective productions on the Owens machine and the gob feeding machine.†

We challenge the defendants to point out any false statements in this article. Defendants are versed in the glassware making art, as is the Hazel-Atlas Company, *yet neither present an affidavit to show any specific false statement, or indeed, inaccuracy in this article.* The reference to this article in plaintiff's brief in the *Hazel-Atlas* case has been quoted in plaintiff's brief on Hazel's present application for leave to file a bill of review, as have also the statements made in the appeal brief of Hazel-Atlas Company in the case against it. The only criticism in the latter is that the chart "is entirely misleading". The respects in which it is said to be misleading are as follows:

> "* * * First, the curve for 'gob feeders' starts with the year 1917. But, plaintiff's paddle feeder went into commercial use in 1915, and plaintiff asserts

* The gob feeding machine found its most effective form in devices covered by the patents in suit.

† The Owens machine was one that operated by suction, i. e., a mold was lowered into a bath of molten glass and the glass sucked up into it. In the gob feeding devices, on the other hand, the glass flowed from the tank to a forehearth and thence through an orifice where it was severed in gob form and the gob dropped into a mold. The gob was preformed in weight and shape to suit the mold that was to receive it.

that it was a gob feeder. So, apparently, it produced [fol. 33] nothing until 1917, which is contrary to plaintiff's contention that it was used in 1915 and thereafter.

"Second, the chart shows that by 1922 about four million gross pieces of ware were produced annually by gob feeders. Whatever proportion of that ware was made by plunger feeders, the only feeder in issue here, was made on plunger feeders developed by others, for plaintiff's first plunger feeder was November, 1922."

No one has pointed out that any of the extracts from the article *quoted in the opinion of this Court in the Hazel-Atlas* case are incorrect or false in any respect whatsoever, nor has it been pointed out wherein this Court may have relied in any respect upon the production chart which, defendants say, was inaccurate.

We ask the Court to read the extract from the Haub patent application which appears at pages 47-48 of the Appendix and compare it with the parts of the Clarke article that deal with the commercial developments of automatic glassware making machinery. It will be remembered that Mr. Haub is a defendant in this case and the designer of the accused Shawkee's device.

The defendants in this case and the Hazel-Atlas Company, the former with reckless charges that the article was a "false and fraudulent publication", rely in their attempt to support the charge of *falsity* upon a letter written by Mr. Hatch to Mr. Carter of the Owens Bottle Company on April 19, 1926, and to some criticisms of the article in a letter or letters written by Mr. Carter to Mr. Hatch. The part of the Hatch letter of April 19, 1926, avidly pounced upon and relied upon to support their charge of falsity is found in the first two paragraphs of the letter, from which we quote, as we do in the *Hazel-Atlas* case:

"I received this morning your letter relating to my proposed article on 'Feeding'. I appreciate your [fol. 34] comments very much indeed and I think there is but one point on which you failed to appreciate my exact position. That is, I prepared this article so far as possible with reference only to the proceedings of The Bottle Blowers Association, and knowingly

and intentionally I reproduced some of the errors found therein.

"For example, in any statement as to the number of Owens machines in use, I have used the numbers given in the proceedings, even when I knew this was not correct. The point I have in mind is that if I can get the President of the Association to publish this I thought that he should base all of his statements on their printed records except where such statements had a direct bearing on the particular point which we wished to bring out."

The letter goes on to state, however, that Mr. Hatch thinks he can "make considerable improvement in the article and still base all statements on information published in the proceedings of the Glass Blowers Ass'n."; and that it was his "present intention to revise the article in view of your comments and others which I expect to receive from Mr. Dorsey". This letter was written to Mr. Carter in response to a letter written by him criticizing an early draft that had been submitted to him for his criticisms. It must be borne in mind, as appears from the affidavits of Mr. Hatch and Mr. Brown herein, that the article was prepared principally from data procured from the published proceedings of the Glass Blowers Association over a period of years. When it was prepared it was intended that it should be sponsored by an official of a glass blowers' union and published under his name. Of course, under these circumstances, the article *had* to reflect what appeared in the published proceedings of the Glass Blowers Association, plus what might be remembered by the union official who would sign it. But, what is more important, the draft which the [fol. 34-1] letter of April 19th referred to was an early one which *was subsequently revised*, and made as accurate both as to statements and as to comparative production figures as was possible. Mr. Hatch's explanation of the letter of April 19, 1926, and the efforts which he made to have the article accurate, and his belief that as published it was accurate, are set forth in his affidavit (App. pp. 14-17).

Mr. Hatch recounts how he took the matter up with Mr. Maloney, the President of the Glass Blowers' Association, the latter's approval thereof, and then the submission of the same to Mr. Clarke, and the revisions that he made therein, even in the final draft (App. pp. 17-19).

In the defendants' petition (p. 10) a short extract is taken from a letter written by Mr. Carter to Mr. Boshart of the Owens Company, and the words "if not too rank" are italicized. The full letter is on page 40 of the book entitled "Exhibits of Petitioner-Defendant" in the *Hazel-Atlas* case. Although this letter is not referred to in defendants' brief, some sinister inference is undoubtedly attempted to be drawn from it by the quotation and emphasis in the petition. As to this letter Mr. Hatch's affidavit states (p. 26):

> "* * * Mr. Carter orally made the same statement to me, stating he thought the proposed article was rather rough on the Owens Company, but that it was in accordance with the facts and that what he meant by 'not too rank' was 'not too rough on Owens'."

When it is borne in mind that the article itself made the Owens suction development (suction was still being used by the Owens Company to a very great extent) in the glass-making machinery art appear at a substantial disadvantage when compared with the gob feeding machinery, the above-[fol. 35] quoted explanation is entirely understandable and reasonable.*

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* When Mr. Carter, on examination by Government counsel in the anti-trust suit, was asked whether he had written this letter, he stated (Tr. 1824):

> "A. I wrote it, undoubtedly, but I would like to say about that, this: that here was a man writing up a piece of history setting forth some facts, and on the whole knocking the Owens machine development and booming the other development. Now, the question of how far a man will be correct in expressing the views that the Owens Machine development was or was not being superseded to a large extent, or to a very large extent, was a matter of judgment. The question of its being what I said, being too rank, here, meant that all that we were trying to do was to put in print and as a matter of history a record of the fact that the feeder development was a tremendously important development, which had had a very great influence in overcoming the supreme position which the Owens Bottle Machine had had at that time".

If Mr. Hatch's affidavit is not sufficient to dispel any doubt that the Clarke article was true, two contemporaneous letters must have that effect. On June 30, 1926, Mr. Clarke wrote Mr. Maloney, the president of the Glass Bottle Blowers Association, enclosing a copy of Mr. Hatch's then last manuscript and asking Mr. Maloney "to read it with care • • • as I want to discuss the matter with you more fully".

On July 7, 1926, Mr. Maloney wrote Mr. Clarke as follows:

> "I have read this paper carefully this morning which was the first opportunity I have had to do so and I find nothing in it that we can take any exceptions to. In fact, it seems to be a very fair review of the changes that have occurred in the glass bottle industry in the last few years as far as automatic machinery is concerned and the attitude we have always taken relative to new methods of production."

These two letters are in the Appendix, pages 75-77.

[fol. 36] But that is not all! On June 10, 1926, Mr. Carter, to whom the letter of April 19, 1926, had been sent by Mr. Hatch, wrote Mr. Hatch in respect to the chart attached to the article, as follows:

> "With regard to your chart, I conclude that the criticism express (sic.) in my last letter was without much foundation. The figure of forty million gross on total production was one for which I thought we had the authority of Mr. Baker. It seems, however, that my recollection was at fault in this respect in quoting the figure mentioned. Mr. Baker now tells me that the most he was ever able to make it was twenty-five million, and upon this basis the *curves of your chart would seem to be substantially correct. Mr. Baker thinks they are about as accurate as could be arrived at.*"

In the affidavit of Mr. Jaspert, the counsel for the defendants, attached to the petition herein, he states (p. 16) that on July 22, 1941 he "inspected the transcript of record and documentary evidence adduced", in the anti-trust suit then pending in Toledo, Ohio, and "discovered the testimony of R. P. Hatch and the letters referred to therein with ref-

erence to the preparation and publication" of the Clarke article. Among the letters then in evidence as Government Exhibit 639 was the last mentioned letter written by Mr. Carter to Mr. Hatch. *Significantly,* this letter is not referred to in the petition herein, or the accompanying brief of the defendants. It will be noted that in this letter Mr. Carter advises Mr. Hatch that Mr. Baker thought that the curves of the chart (those attached to the Clarke article) "are about as accurate as could be arrived at". Mr. Baker was the Treasurer of the Owens Bottle Company, then the largest manufacturer of bottles and kindred glassware in the United States, and the most extensive user of the Owens machine. How, in view of these contemporeaneous letters, [fol. 37] leaving aside everything else, it can be contended that the two statements in the Hatch letter of April 19th, relied upon here and in the Hazel-Atlas petition, are sufficient to demonstrate that the statements in the Clarke article were false seems impossible to conceive.

But, in addition, we have submitted affidavits from Mr. Clarke, Mr. Maloney and Mr. Dorsey (App. pp. 48, 49, 52) that the statements in the article are in fact true. Mr. Clarke's affidavit was made in 1932; Mr. Maloney's in 1935, for use in a suit which Hartford-Empire had brought against the Florida Glass Manufacturing Company—the original affidavit having been removed from the files of that court, with its permission, and filed herein.

In view of what has been said, we submit it must be found that the charge that the statements in the Clarke article were false and untrue, is utterly unfounded and that, if there be any *inaccuracies* therein (and the defendants do not disclose that there were) they certainly were not of a character that could affect any issue in this case.

2. As the charge of falsity and untruthfulness in the Clarke article fails, there must fail with it the charge that counsel for plaintiff in the letter of October 30, 1933, to Mr. Barnett (which was submitted to Judge BUFFINGTON) stated that the statements in the Clarke article which were quoted by Judge BUFFINGTON were true, "when in fact they are false" (Defts'. Br. 23). It is said that this statement was "a deliberate misrepresentation to this Court intended to foreclose further inquiry as to the character of the article" (Clarke). This is a reckless charge without anything whatsoever to support it. Defendants have pointed to nothing

which would show that any of the counsel involved had any belief other than that the statements quoted by Judge BUFFINGTON, as well as the whole article, were true. The affidavits presented herewith show that Mr. Brown, Mr. Dor- [fol. 38] sey and Mr. Haight believed, and still do, that the article was absolutely true. Mr. Belknap and Mr. Brown so advised Mr. Haight at the time the letter was written. Unfortunately, Mr. Belknap died very suddenly shortly before Thanksgiving Day of this year, and Mr. Byrnes is, we are advised, in either California or Florida. Mr. Dorsey has made an affidavit herein stating that in the spring or early summer of 1926, Mr. Hatch brought him the manuscript of the proposed Clarke article, which he read and made some slight suggestions as to its verbiage. His affidavit proceeds

> "From my personal acquaintance with the glass feeding art extending from 1906 to 1926, I knew from my own knowledge that the statements in the said manuscript, and in the said article as published, were true in every substantial respect" (App. 53).

Mr. Dorsey was in charge of the solicitation of the patent in suit in the Patent Office and filed the Clarke article in the Patent Office.

Point II

If the fact that the Clarke article was originally prepared by Hatch, although revised and sponsored by Clarke, is a material circumstance, which plaintiff denies, its authorship could have been discovered by defendants in the exercise of reasonable diligence.*

1. Counsel for plaintiff informed Mr. Barnett in the letter of October 30th, 1933 that if he desired to place the documents which he had submitted to counsel for the plaintiff before the Circuit Court of Appeals, "we will interpose no [fol. 39] objection." In the letter of November 3rd written by counsel for the plaintiff to Judge BUFFINGTON, he was advised in respect to these papers as follows:

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* The brief seems to make no point as to the authorship of the article as a ground for granting defendants' petition, but the petition refers to the authorship and therefore we discuss the point here.

> "* * * So far as we are concerned, your Court may consider them, if it desires so to do, *as a part of the record in this case*, although under the ordinary rules of procedure they could not be so considered."

And this, notwithstanding Mr. Barnett's statement in his letter of October 30th to Judge BUFFINGTON that "these papers are probably not pertinent evidence in the present case." Plaintiff therefore waived the objection which it could have insisted upon that these documents were not a part of the record in the case. It went further and pointed out to Mr. Barnett that their existence was known to counsel for defendant in the *Hazel-Atlas* case and to Mr. Wood, who had been counsel for the defendant in the *Nivison-Weiskopf* case. There was transmitted to him a letter over Mr. Wood's own signature (App. p. 54), stating that Messrs. Wood had understood in April, 1929, prior to the trial of the *Hazel-Atlas* case, "that Mr. Hatch was instrumental in having the article * * * published in the Glass Budget and *were so told by Mr. Hatch*"; that Mr. Hatch had been produced by plaintiff at the trial of the *Nivison-Weiskopf* case at Mr. Wood's request, and that he had discussed "this matter at length with counsel for the Hazel-Atlas Company, and also with certain persons from the Hazel-Atlas Company who were active in connection with the trial". Mr. Barnett did not follow up the information which plaintiff's counsel had given him in respect to Mr. Wood's information regarding the Clarke article (App. p. 54). He did inquire of counsel for the Hazel-Atlas Company "to learn whether they could confirm Judge HAIGHT's information that the matters relating to the article in the Glass Budget * * * were fully known to counsel for the Hazel-Atlas [fol. 40] Company at the time that case was tried" (see letter to Judge BUFFINGTON dated November 15, 1933, App. p. 40). As a result of this inquiry he learned from Mr. Philbin that his "recollection is that while he suspected that the Hartford-Empire Company might have been *responsible* for the article, he did not, at the time of the trial, know of the papers" which were submitted by Mr. Barnett to Judge BUFFINGTON. He further learned from Mr. Philbin that the latter's recollection was "too indefinite to be positive" and that he would have to go through "the voluminous collection of papers relating to the various Hart-

ford-Empire litigations, including correspondence, before he could be more definite" (App. p. 41). Mr. Barnett pursued the matter no further. *He let it rest.* He did, however, in his letter to Judge BUFFINGTON of December 16th, charge that the article had been "*instigated* by the ingenious brain of Mr. Hatch". Plaintiff did not question the charge thus made.

If Mr. Barnett, or the diligent Mr. Jaspert, who has filed so many petitions and made so many moves in this case since it was decided against him, had followed up the leads which had been given to them by plaintiff in 1933, they would have found the following:

(a) That Mr. Philbin, upon refreshing his recollection (which in his letter to Mr. Barnett he did not indicate that he would be unwilling to do) believed "in or before 1929" that the Clarke article had been written by Mr. Hatch and caused to be published by the Hartford-Empire Company, and that he had been so told "by the firm of Messrs. Wood & Wood, Cincinnati lawyers, who said they had been so told by Clarke and also by Mr. Hatch" (see Mr. Philbin's Affidavit attached to the petition for leave to file a bill of review in the *Hazel-Atlas* case, p. 10).

[fol. 41] (b) He would have learned from the Messrs. Wood that Clarke had told Mr. William Wood that he did not write the article, but that it had been prepared by Mr. Hatch, and also that Hatch "had no hesitation in admitting the circumstances" described in Mr. Wood's affidavit of May 17, 1932, which was then in Mr. Philbin's possession and which appears on page 17 as Exhibit 6 in the book of "Exhibits of Petitioner-Defendant" in the Hazel-Atlas application herein. He would have also learned from Mr. Edmund Wood that he had discussed the article with Mr. Hatch in February, 1928 "and many times since" and that he "at all times has freely admitted to me that he was the real author of this article" (see Affidavit of Edmund P. Wood attached to the beforementioned book of "Exhibits of Petitioner-Defendant" in the *Hazel-Atlas* case, p. 21). Mr. Edmund Wood's affidavit was likewise made on May 17, 1932 and was in Mr. Philbin's possession at the time Mr. Barnett was corresponding with Judge BUFFINGTON in reference to the Clarke article and Hartford-Empire's connection therewith.

In view of the rules of law referred to in our brief in the *Hazel-Atlas* case (copy of which will be given to counsel for defendants herein), it is impossible to see how any point can be made in the present application in regard to the authorship of the Clarke article, based on the fact that Hatch originally wrote the article and collected the data embodied therein. The exercise of the slightest diligence would have revealed that fact. It probably would not be helpful to the Court for us to review (if we had the time, which we have not) the various cases in which lack of diligence has been held by appellate courts to bar the granting of leave to apply to a lower court for permission to file a bill of review, because most cases stand on their own facts.

[fol. 42] 2. Nor can we see how the authorship of the article would be a material circumstance. The article was prepared by Mr. Hatch principally from the published proceedings of the Glass Bottle Blowers' Association. It was read, revised and approved by Mr. Clarke. It was submitted by Mr. Clarke to Mr. Maloney, the president of the Glass Bottle Blowers' Association. In his letter of July 7, 1926, he stated that he had read it carefully and that it seemed to him "to be a very good review of the changes that have occurred in the glass bottle industry in the last few years so far as automatic machinery is concerned and the attitude which we have always taken relative to new methods of production". Thus, while originally prepared by Hatch, it was sponsored by Clarke and adopted by him as his own, with the approval of Mr. Maloney, President of the Glass Bottle Blowers Association. As the statements in the article quoted by Judge BUFFINGTON were true, the fact that the article was in the first instance written by Hatch certainly is not material. That Hatch instigated the article and that Hartford-Empire had it published in the Glass Budget and thereafter presented it to the Patent Office, was known to all of the Judges in the case at bar, including Judge WOOLLEY who had dissented in the *Hazel-Atlas* case, *prior* to the decision in the case at bar, and plaintiff had consented that the Court might consider *as part of the record in the case* all of the papers and documents sent to the Court by Mr. Barnett.

As set forth in our brief in opposition to the Hazel-Atlas petition, ghostwriting is not an unusual thing in this country; the important thing is whether the article is true and

whether it was based on the proceedings of the Glass Bottle Blowers' Association and had the sanction and approval of [fol. 43] the union officials and was adopted by one of them as his own.

In the petition a letter from Mr. Brown to Mr. Carter dated December 11, 1925 is quoted. His answer to this letter is set forth in the Appendix, page 53. In this letter he said that he was not in a position to write the article mentioned in Mr. Brown's letter because he did not get in touch with the industry until 1921 and then only from the viewpoint of a patent specialist. As pointed out in Mr. Brown's affidavit, the letter which he wrote to Mr. Carter had nothing whatever to do with the preparation of the article by Mr. Hatch. The latter had found (as set forth in his affidavit, App. pp. 11-13), making an investigation in connection with a Federal tax matter in which the plaintiff was interested, information in the proceedings of the Glass Bottle Blowers Association which suggested to him the idea that an article should be compiled from the proceedings of that Association and published. He thought it would be of interest to the trade and an advantage to the plaintiff as showing the effect on the glass industry of the introduction of automatic machinery, including that of the Hartford-Empire Company, these facts then being not generally known. He was accordingly authorized to prepare the article and did so. The suggestion in the petition that the Clarke article was prepared in the first instance at the suggestion of Mr. Brown is shown in Hatch's affidavit to be unfounded (App. p. 25).

3. Doubtless the lack of diligence on the part of defendants and their attorneys, and the immateriality of whether the research work and the writing of the article in the first instance was by Hatch rather than Clarke, is the reason why the question of the authorship is not made a point in defendants' brief.

[fol. 44-46] Conclusion

It is respectfully submitted that the petition should be denied.

Respectfully submitted,
Thomas G. Haight, Edgar J. Goodrich, Robson D. Brown, Counsel for Plaintiff-Appellee.

[fol. 27] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 4414

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellant,

v.

HAZEL-ATLAS GLASS COMPANY, Defendant-Appellee

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants

Petition, Brief and Affidavit on Behalf of the United States of America as *Amicus Curiae*

Now comes the United States of America and respectfully petitions for leave to file the attached brief and affidavit as *amicus curiae* in support of the petition of Hazel-[fol. 28] Atlas Glass Company and the petition of Shawkee Manufacturing Company, *et al.*, for leave to file Bills of Review in the above entitled suits, for the following reasons:

First, The United States is the plaintiff in an antitrust prosecution now pending in the District Court of the United States for the Northern District of Ohio (Western Division) against both parties to the above-entitled Cause No. 4414, and against the Plaintiff-Appellee in the above-entitled Cause No. 5203, as well as against numerous other defendants. As plaintiff, The United States has knowledge of certain facts heretofore made in the antitrust suit bearing on the issue of fraud in the Patent Office, which fraud is pertinent to material issues decided by this Court in the instant suits. The United States has no financial interest in the matter and presents these facts to this Court from the sole viewpoint of the public interest.

Second, The United States, as grantor of the patent rights involved in the instant cases, considers that the broad scope given to the Peiler patent in the two decisions, affects the

public interest and requires a definite ascertainment that such decisions were not the result of a fraud practiced upon the Court.

Thurman Arnold, Assistant Attorney General. Hugh B. Cox, Samuel S. Isseks, Lawrence S. Apsey, Special Assistants to the Attorney General.

December 3, 1941.

[fol. 29] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 4414

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellant,

v.

HAZEL-ATLAS GLASS COMPANY, Defendant-Appellee

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants

Brief Amicus Curiae Filed by the United States of America in Support of Petitions of Hazel-Atlas Glass Company, and Shawkee Manufacturing Company, et al., for Leave to File Bills of Review

Reasons for Filing Brief

The United States of America respectfully directs the attention of this Court to the following considerations bearing on the respective petitions of Hazel-Atlas Glass Com-[fol. 30] pany and Shawkee Manufacturing Company, *et al.*, for leave to file Bills of Review in the above-entitled causes. This brief is filed for two reasons:

(1) As the plaintiff in an antitrust action now pending in the District Court of the United States for the Northern District of Ohio (Western Division), the United States is in a position to know of certan facts bearing on the issue

(2) The broad scope given to the Peiler patent in the two decisions clearly affects the public interest and makes it important that there be a reconsideration of the two decisions in order to determine whether or not they were the result of a fraud perpetrated upon the Patent Office and this Court.

Statement of Facts

As shown by the affidavit of Samuel S. Isseks filed herewith, the following facts bearing on the issues in the instant case have been adduced in the course of the trial of the antitrust suit of the *United States* v. *Hartford-Empire Company, Hazel-Atlas Glass Company, Owens-Illinois Glass Company and others*, No. 4426, in the United States District Court for the Northern District of Ohio, Western Division:

1. On April 9, 1924, Hartford-Empire Company, the plaintiff in both of the instant cases, a concern engaged in the development and licensing of patented inventions on machinery used in the manufacture of glassware, and Owens-Illinois Glass Company (then called Owens Bottle Company), the largest manufacturer of bottles in the United States, and also the owners of certain patents and applications on automatic glassware machinery, en- [fol. 31] tered into a cross-licensing agreement. This agreement provided that Owens would receive one-half of Hartford's royalty collections after deduction of $600,000.00 in return for which Owens gave Hartford an exclusive license under all its feeder and forming machine patents. The parties further agreed to prosecute all infringers promptly and by a subsequent arrangement, they agreed to share equally in the cost of all litigation brought on the licensed patents.

2. This 1924 agreement was executed during the pendency of the nine year struggle of Hartford-Empire Company in the Patent Office, to obtain the issuance of Patent No. 1,655,391 involved in the instant suits. Pursuant to the agreement and during the course of the Patent Office Proceedings, Hartford and Owens jointly conceived a plan whereby they would arrange to have published in a trade paper an article relating to the glass feeders of the Hartford Company. It was their purpose to have the article published under the name of a disinterested authority who would recite alleged facts showing the important contri-

bution of Hartford to the advancement of the glass feeding art, in order that the article be used in the Patent Office to influence it to issue the Peiler patent.

3. Pursuant to this plan, one R. F. Hatch, a patent solicitor in the Patent Department of Hartford, drafted such an article and sent it to one, Henry W. Carter, in charge of the Patent Department of Owens, for his comments and revisions. Carter returned the draft and noted that it was erroneous in many material respects, but adding that so long as it was not "too rank" it would serve the purpose.

4. Hatch then induced one William P. Clarke, head of a glassworkers union, to sign the article as author. Thereupon Hatch arranged to have it published in the National Glass Budget, a trade paper.

[fol. 32] 5. Without revealing the true author of this article, Hartford's attorney submitted the article to the Patent Office in the then pending proceedings with respect to the patent in issue in the instant suit, emphasizing the impartial character of its source.

6. Subsequently and on January 3, 1928, the Patent Office allowed the application, which issued as patent No. 1,655,391 —the scope and validity of which was before this Court.

7. Again acting pursuant to their prior agreement, Hartford and Owens agreed that Hartford would bring the instant suit against Hazel-Atlas, the second largest manufacturer of glassware in the United States, for alleged infringement of the Peiler patent. Hartford and Owens shared equally in the expenses of this litigation.

8. At no time did Hartford or Owens reveal the circumstances relating to the authorship of the Clarke article or the inaccuracy of some of the statements therein, to the Patent Office, the District Court, or to this Court.

9. Immediately following the decision of the Court in the Hazel-Atlas Suit (No. 4414) representatives of Hartford communicated with the President of Hazel, and it was suggested that an arrangement could be worked out whereby Hazel could have a license under the Peiler patent here involved with a share in Hartford's royalties from other licensees, if Hazel would agree (1) not to file a petition for

a rehearing in this Court and (2) not to file a petition for *certiorari* to the Supreme Court. Hazel accepted these conditions, paid a million dollars damages, and took a license under the Hartford patent.

[fol. 33] 10. This license agreement provided that in return for Hazel's accepting a license under the Peiler and other patents, at Hartford's standard royalty rates, Hazel would receive one-third of Hartford's total royalties after deducting $850,000, while Owens would receive another third in place of the half it had been receiving under the 1924 contract. In exchange for this share in royalties, Hazel agreed that it would license Hartford under Hazel's patents, which were narrow in scope, relinquish a claim against Hartford and Owens and allow Hartford to receive the benefit of its skill in operating glass machinery mechanisms.

11. Following the signing of the various agreements between Hartford, Hazel and Owens, in July, 1932, Hartford and Hazel published an announcement to the effect that Hazel had paid one million dollars in damages and agreed to accept a license under the Hartford patents. The announcement did not reveal, however, that Hazel was to share in one-third of Hartford's royalties, and in fact the existence of this arrangement was not known to other members of the industry, even including certain executives of Hartford, until it was revealed at a public hearing before the TNEC in December, 1938.

12. Following the announcement of the Hartford-Hazel settlement, a number of other manufacturers of glassware, who had previously refused to take licenses from Hartford, took licenses under Hartford patents at Hartford's standard royalty rates. Some of them did so because the powerful Hazel-Atlas Company had, so they thought, been forced to take a license as a result of the decision of this Court in the *Hazel-Atlas* suit. The result is that today Hartford has manufacturers representing about 96% of the production capacity of the industry under license and contributing royalties to Hartford and Hazel. Royalty collections in 1940 amounted to about six million dollars and have totalled forty million dollars since Hazel took the license.

[fol. 34] 13. During the negotiations for the 1932 Hazel-Atlas, Hartford and Owens agreements, the aforementioned Clarke made a demand upon Hatch that Hartford pay him $10,000.00 for having sponsored the so-called Clarke Article. Hatch communicated with his principals at Hartford and with the Owens representatives, and as a result Hatch made two payments to Clarke, one of $500.00 and the other of $7,500.00. Both payments were made in cash by Hatch to Clarke, the first in New York City and the other in Pittsburgh, and the records of Hartford showed that the payment of $7,500.00 was made as "counsel fees" in connection with litigation instituted by Hartford and as to which Owens was obligated to pay and did pay one-half of all such expenses, including the payments to Clarke. Clarke, of course, was not an attorney.

14. On May 9, 1941, Honorable Frank L. Kloeb, United States District Judge for the Northern District of Ohio, before whom the aforementioned case of *United States* v. *Hartford-Empire Company, et al.*, is being tried, entered an order on motion of the plaintiff, after argument and submission of briefs, impounding all royalties payable by Hazel-Atlas to Hartford under the 1932 agreement, and all amounts payable to Hazel-Atlas by Hartford under said agreement. Judge Kloeb concluded that the Government had made a *prima facie* showing of the illegality of the payments by Hartford and Hazel-Atlas under the agreement. The total amount paid as of November 15, 1941 to the Clerk of the Court under said order is $1,786,172.22, for the period from May 14, 1941, to November 15, 1941.

15. The status of the antitrust case is as follows: The Government completed its proof on October 22, 1941, and the defendants are now offering proof.

[fol. 35] Argument

Judge Gibson in the District Court held that if the patent were valid, the Hazel-Atlas structure did not infringe (39 Fed. 2d 111, 1930). Hartford then appealed to this Court. In an opinion here by Judge Buffington, the patent was held valid and infringed, and its claims were given great breadth of scope. Judge Davis concurred and Judge Wooley dissented (59 F. 2d 399, 1932). The opinion rests in large part upon the so-called Clarke article. It states at the out-

set (p. 401) that since labor organizations were vitally interested in the supplanting of hand blowing by mechanical blowers the Court can and does "rely on their opinion in that regard." The article is quoted from at length throughout the opinion, and the Court reached a conclusion at page 413 that where the art found no solution in the patents covering prior inventions, "it is safer to rely evidentially on the then judgment, attitude, and conduct of the glass trade rather than on the *post litem* testimony of experts, the contentions of infringers, and the theoretical construction that often tempts Courts to create out of lifeless patents an imaginary machine on paper which a working art could not do in steel." The Court's notion of the judgment and conduct of the glass trade, however, is drawn from the Clarke article, relied on as the impartial expression of a labor leader.

Thus the opinion of Judge Buffington in the *Hazel-Atlas* case shows that in sustaining the validity of the Peiler patent the Court relied heavily upon the disinterested character of the Clarke article. The motives which underlay the writing, publishing, and submission to the Patent Office of that article have been demonstrated by the complete facts brought to light for the first time in the pending anti-trust suit in the Ohio District Court, and which are in part set forth above and more fully referred to in the separate [fol. 36] petitions and supporting papers of Shawkee Manufacturing Company and Hazel-Atlas Glass Company.

In view of the facts, argument is hardly necessary to indicate that grave doubt exists as to whether or not the decisions of this Court in the instant cases were obtained as a result of a fraud practiced upon the Court as well as the Patent Office. Upon all the circumstances, and considering the fact that Judge Gibson in the District Court and Judge Wooley in this Court were of the opinion that the patent involved had not been infringed, there seems to be considerable merit to the instant petitions for leave to file Bills of Review.

There being more than a reasonable doubt as to the existence of fraud, the public interest involved lends substantial weight to the position of the petitioners. Due to the broad and basic character ascribed by this Court to the claims of the Peiler patent, the Hartford Company, with the aid of the Owens Company, have been enabled to exact

large sums of money from the glassware producers of the country, sums ultimately recouped from the consuming public. Furthermore, these companies have been able, largely through the broad scope attributed by this Court to the Peiler patent, to extend their control not only over the glassware machinery business, but also over the glassware business itself.

In holding that the United States could file a bill to annul a patent alleged to have been fraudulently secured, the Supreme Court said through Mr. Justice Miller in *United States* v. *American Bell Telephone Company*, 128 U. S. 315 (1888) at page 367:

> The essence of the right of the United States to interfere in the present case is its obligation to protect the public from the monopoly of the patent which was procured by fraud.

[fol. 37] The Court went on to say, at page 370:

> The United States, by issuing the patents which are here sought to be annulled, has taken from the public rights of immense value and bestowed them upon the patentee. In this respect the government and its officers are acting as the agents of the people, and have, under the authority of law vested in them, taken from the people this valuable privilege and conferred it as an exclusive right upon the patentee. • • • This has been taken from the people, from the public, and made the private property of the patentee by the action of one of the departments of the government acting under the forms of law, but deceived and misled, as the bill alleges, by the patentee. That the government, authorized both by the Constitution and the statutes to bring suits at law and in equity, should find it to be its duty to correct this evil, to recall these patents, to get a remedy for this fraud, is so clear that it needs no argument. • • •

The Government, of course, is not at present seeking to intervene in the instant suits, nor is it now taking steps to have the patent here involved annulled. It simply requests that this Court give consideration to the public interests so clearly expounded by Mr. Justice Miller in the *American*

Bell Telephone Co. case, in determining the question presented by the private petitioners herein.

Respectfully submitted, Thurman Arnold, Assistant Attorney General. Hugh B. Cox, Samuel S. Isseks, Lawrence S. Apsey, Special Assistants to the Attorney General.

December 3, 1941.

[fol. 38] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 4414

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellant,

v.

HAZEL-ATLAS GLASS COMPANY, Defendant-Appellee

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants.

Affidavit of Samuel S. Isseks

STATE OF NEW YORK,
COUNTY OF NEW YORK, ss.:

SAMUEL S. ISSEKS, being duly sworn, deposes and says:

[fol. 39] I am a Special Assistant to the Attorney General of the United States, of counsel for the Government in the Antitrust Suit entitled, *United States* v. *Hartford-Empire Company, et al.*, No. 4426, now pending in the United States District Court for the Northern District of Ohio, Western Division.

The evidence adduced by the Government in said pending action against Hartford-Empire Company, *et al.*, shows that:

1. On April 9, 1924, Hartford-Empire Company, a concern engaged in the development and licensing of patented

inventions on machinery used in the manufacture of glassware, and Owens-Illinois Glass Co., the largest manufacturer of bottles in the United States, entered into a cross-licensing agreement. The agreement provided that Owens would receive one-half of Hartford's royalty collections after deduction of $600,000. in return for which Owens gave Hartford an exclusive license under all its feeder and forming machine patents. The parties further agreed to prosecute all infringers promptly and by a subsequent arrangement, they agreed to share equally in the cost of all litigation brought on the licensed patents.

2. This 1924 agreement was executed during the pendency of the nine year struggle of Hartford-Empire Company in the Patent Office, to obtain the issuance of Patent No. 1,655,391. Pursuant to the agreement and during the course of the Patent Office proceedings, Hartford and Owens jointly conceived a plan whereby they would arrange to have published in a trade paper an article relating to the glass feeders of the Hartford Company. It was their purpose to have the article published under the name of a disinterested authority who would recite alleged facts showing the important contribution of Hartford to the advancement of the glass feeding art.

[fol. 40] 3. Pursuant to this plan, one R. F. Hatch, a patent solicitor in the Patent Department of Hartford, drafted such an article and sent it to one Henry W. Carter, in charge of the Patent Department of Owens, for his comments and revisions. Carter returned the draft noting that it was erroneous in many material respects, but adding that so long as it was not "too rank" it would serve the purpose.

4. Hatch then induced one William P. Clarke, head of a glassblowers union, to sign the article as author. Thereupon, Hatch arranged to have it published in the National Glass Budget, a trade paper.

5. Without revealing the true author of this article, Hartford's attorney introduced the article to the Patent Office in the then pending proceedings with respect to the patent in issue in the instant suit, emphasizing the impartial character of its source.

6. Subsequently and on January 3, 1928, the Patent Office allowed the application, which issued as patent No. 1,655,391.

7. Again acting pursuant to their prior agreement, Hartford and Owens agreed that Hartford would bring the instant suit against Hazel-Atlas, the second largest manufacturer of glassware in the United States, for alleged infringement of the Peiler patent. Hartford and Owens shared equally in the expenses of this litigation.

8. At no time did Hartford or Owens reveal the circumstances relating to the authorship of the Clarke article or the inaccuracy of some of the statements therein, to the Patent Office, the District Court, or to this Court.

9. Immediately following the decision of this Court in the *Hazel-Atlas* suit (No. 4414) the representatives of Hart- [fol. 41] ford communicated with the President of Hazel, and it was suggested that an arrangement could be worked out whereby Hazel could have a license under the Peiler patent here involved with a share in Hartford's royalties from other licensees if Hazel would agree (1) not to file a petition for a rehearing in this Court, and (2) not to file a petition for *certiorari* to the Supreme Court. Hazel accepted these conditions, paid a million dollars damages, and took a license under the Hartford patent.

10. This license agreement provided that in return for Hazel's accepting a license under the Peiler and other patents, at Hartford's standard royalty rates, Hazel would receive one-third of Hartford's royalty after deducting $850,000, while Owens would receive another third in place of the half it had been receiving under the 1924 contract. In exchange for this share in royalties, Hazel agreed that it would license Hartford under Hazel's patents, which were narrow in scope, relinquish a claim against Hartford and Owens and allow Hartford to receive the benefit of its skill in operating glass machinery mechanisms.

11. Following the signing of the various agreements between Hartford, Hazel and Owens, in July 1932, Hartford and Hazel published an announcement to the effect that Hazel had paid one million dollars in damages and agreed to accept a license under the Hartford patents. The announcement did not reveal, however, that Hazel was to share in one-third of Hartford's royalties, and in fact the existence of this arrangement was not known to other members of the industry, even including certain executives of

Hartford, until public hearing before the TNEC in December, 1938.

12. Following the announcement of the Hartford-Hazel settlement, a number of other manufacturers of glassware, [fol. 42] who had previously refused to take licenses from Hartford, took licenses under Hartford patents at Hartford's standard royalty rates. Some of them did so because the powerful Hazel-Atlas Company had, so they thought, been forced to take a license as a result of the decision of this Court in the *Hazel-Atlas* suit. The result is that today Hartford has manufacturers representing about 96% of the production capacity of the industry under license and contributing royalties to Hartford and Hazel. Royalty collections in 1940 amounted to about six million dollars and have totalled forty million dollars since Hazel took the license.

On May 9, 1941, Honorable Frank L. Kloeb, United States District Judge for the Northern District of Ohio, before whom the aforementioned case of *United States* v. *Hartford-Empire Company, et al.*, is being tried, entered an order on motion of the plaintiff, after argument and submission of briefs, impounding all royalties payable by Hazel-Atlas to Hartford under the 1932 agreement, and all amounts payable to Hazel-Atlas by Hartford under said agreement. Judge Kloeb, in making such order, found that said agreement was *prima facie* illegal. The total amount paid to the Clerk of Court under said order as of November 15, 1941, is $1,786,172.22, for the period from May 14, 1941, to November 15, 1941.

The status of the Government case is as follows: The Government rested on October 22, 1941, and the defendants are now offering proof.

Samuel S. Isseks.

Subscribed and sworn to before me this 4th day of December, 1941.

Leo Cohen, Notary Public, Kings County, Clk's No. 28; N. Y. Co. Clk's No. 64; Bronx Co. Clk's No. 31. (Seal.)

Commission Expires March 30, 1942.

[fol. 43] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT, OCTOBER TERM, 1941

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB, Defendants-Appellants

And afterwards, to wit, the 5th day of December, 1941, come the parties aforesaid by their counsel aforesaid, and this case being called for argument sur Petition for Leave to File a Bill of Review, etc., before the Honorable John Biggs, Jr., Honorable Albert B. Maris, Honorable William Clark and Honorable Charles Alvin Jones, Circuit Judges, and the Court not being fully advised in the premises, takes further time for the consideration thereof.

And afterwards, to wit, on the 29th day of December, 1941, come the parties aforesaid by their counsel aforesaid, and the Court, now being fully advised in the premises, renders the following decision:

[fol. 44] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT, OCTOBER TERM, 1941

No. 4414

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellant,

vs.

HAZEL-ATLAS GLASS COMPANY, Defendant-Appellee

No. 5203. October Term, 1941

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB, Defendants-Appellants

On Petitions for Leave to File Bills of Review

OPINION—Filed December 29, 1941

Before Biggs, Maris, Clark and Jones, Circuit Judges.

[fol. 45] PER CURIAM:

Petitions supported by affidavits and seeking leave to file bills of review in the United States District Court for the

Western District of Pennsylvania have been filed in this court in the above cases. The gist of these petitions is the charge that a fraud was imposed upon this court which resulted in No. 4414 in an incorrect decision reversing the decree of the District Court. See 59 F. (2nd) 399. The incorrect decision (if it was such) in No. 4414 caused a like incorrect result in No. 5203. See 68 F. (2nd) 726. The proposed bills of review seek reversal of the two decisions of this court referred to.

In view of the fact that it is alleged that fraud was practiced upon this court rather than upon the court below, this court will adopt the practice followed by the Circuit Court of Appeals for the Second Circuit in the companion cases of Art Metal Works, Inc. v. Abraham & Straus, Inc., 107 F. (2nd) 940 and 944, certiorari denied 308 U. S. 621, and itself pass upon the question of whether the mandates of this court should be recalled and the cases reopened. Accordingly the prayers of the petitions as framed are denied but leave is granted to the petitioners to amend the prayers and to petition this court to set aside the judgments heretofore entered in this court, on the ground of fraud. The plaintiff-appellant will then reply to the petitions for review as amended and the questions involved will be heard and determined by this court.

A true Copy:
Teste:

_____; Clerk of the United States Circuit Court of Appeals for the Third Circuit.

[fol. 46] In the United States Circuit Court of Appeals for the Third Circuit

No. 5203

Hartford-Empire Company, Plaintiff-Appellant,
vs.
Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub, Defendants-Appellants

Amendment to Defendants' Petition Filed October 24, 1941 and Supporting Memorandum

[fol. 47] Amendment to Defendants' Petition—Filed October 24, 1941

Comes now petitioners, Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company

and George R. Haub, pursuant to the leave granted by this Court's decision of December 29, 1941 and petitioning this Court to set aside its judgment heretofore entered in this Court, on the ground of fraud, amend the prayer of their petition filed herein on October 24, 1941 to read as follows:

"Your petitioners, therefore, pray:

"1. That this Court, on the ground of fraud, vacate, set aside and annul its decision and decree entered on or about October 19, 1934, affirming the decree of the district court for the western district of Pennsylvania; recall the mandate issued pursuant to said decision and decree, and vacate, annul and set aside all proceedings had pursuant to said mandate, including the entry of the final decree filed in said district court on or about January 11, 1934; and restore this cause to the docket of this Court for reargument upon the original briefs filed herein or upon such supplemental briefs as the parties may wish to file, and fix the time for the filing of such briefs and reargument.

"2. That this Court, dismiss this cause of action on the ground of the fraudulent use made by plaintiff, of this Court's decree of validity and infringement fraudulently obtained in the case of Hartford-Empire Company v. Hazel-Atlas Glass Company, 59 F (2d) 399, as the basis of the favorable decrees in its application for [fol. 48] injunction pendente lite, and that this Court decree that plaintiff did not come with clean hands in respect of any cause of action in this case.

"3. For such other and further relief as may be just, including reference to a Master to be appointed by this Court, to render an accounting of all costs incurred by defendants and each of them in these and the former proceedings, including attorneys fees and the moneys paid by defendants on accounting to plaintiff with interest, and for damages in treble the amount sustained by defendants and each of them because of plaintiff's fraudulent and unlawful use of its patents, and that defendants and each of them have judgment for the dam-

ages and costs so found and for such final disposition as to the Court may seem just and proper."

Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub, Petitioners, by William B. Jaspert, Counsel for Petitioners.

January, 1942.

[fol. 49] MEMORANDUM

The present petition, pursuant to this Court's decision filed December 29, 1941, seeks leave to amend the prayers and to petition the Court to set aside the judgment heretofore entered in this Court and the court below, on the ground of fraud.

The amended prayer numbered 1, asks the Court to recall its mandate and reopen the case in conformity with the procedure followed by the Circuit Court of Appeals for the Second Circuit in the cases of Art Metal Works, Inc. v. Abraham & Straus, Inc. 107 F (2d) 940 and 944. The amended prayer numbered 2. asks the Court to dismiss this cause of action under the clean hands doctrine, and amended prayer numbered 3. asks the Court for judgment and accounting for costs and treble the amount of damages sustained by defendants because of plaintiff's fraudulent and unlawful use of its patents, and for such final disposition as to the Court may seem just and proper.

The evidence upon which defendants rely in support of their petition has been briefed and argued before this Court on hearing on the original petition.

Respectfully submitted, William B. Jaspert, Counsel for Petitioners.

January, 1942.

[fol. 64] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 5203

HARTFORD-EMPIRE COMPANY,
Plaintiff-Respondent,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB,
Defendants-Petitioners.

REPLY TO AMENDED PETITION OF DEFENDANTS TO VACATE DECREE, ETC.—Filed Feb. 3, 1942.

Now comes the plaintiff, Hartford-Empire Company (hereinafter called Hartford), and makes answer to the amended petition of the defendants-petitioners (hereinafter collectively called Shawkee), the original of which was filed herein on October 24, 1941, as follows:

1. As the original petition herein was heard and considered by this Court in connection with the original petition of the Hazel-Atlas Glass Company (hereinafter called Hazel-Atlas), (No. 4414), and as the two amended petitions will doubtless be considered together, Hartford in this reply will incorporate, by reference, various portions of its reply to the Hazel-Atlas amended petition in order to avoid repetition.

[fol. 65] 2. Hartford admits the allegations appearing on page 1 of the Petition.

Hartford admits the allegations appearing on page 2 of the Petition, except the allegation that the "Shawkee feeder" involved herein utilized air pressure and vacuum to control the discharge of glass as disclosed in the expired patents to Hitchcock No. 805,068 and Reissue 13,929, which Hartford denies, and Hartford avers that the Peiler patent, in so far as concerns the process defined by the claims involved in this suit, is not limited to the use of "a reciprocating plug or plunger".

Hartford admits the allegations appearing on page 3 of the Petition, but avers that Shawkee's counsel proposed at the hearing before this Court that the case might be dis-

posed of as if on final hearing, and Hartford refers to the opinion of this Court reported at 68 F. (2d) 726 for a full statement of its reasons for dismissing the appeal.

Hartford admits the allegations appearing on pages 4 and 5 of the Petition, except the allegation that patents 2,073,571 and 2,073,572 were for the same "generic invention that this Court had attributed to Peiler Patent 1,655,391 in the Hazel-Atlas Glass Company and Shawkee decisions", which it denies.

3. Answering pages 6 to 12 inclusive of the Petition, Hartford avers:

The so-called "Clarke article" was prepared in the first instance under the circumstances related in Hartford's reply filed herewith to the petition of Hazel-Atlas in No. 4414 and Hartford refers to and adopts the same as a part hereof to show the facts and circumstances as to the preparation of said article, the use thereof in the Patent Office and before this Court, the reply made thereto by Hazel-Atlas in its original brief in No. 4414 and the truth of the facts set out in said article.

[fol. 66] Hartford denies the allegations and implications of the Petition that the said article, as published, was false; avers that any errors which may originally have appeared in preliminary drafts thereof were corrected before publication; avers that the statements in said article, as published, were true; and avers that pages 10 to 12 inclusive of the Petition are misleading in that they do not disclose that subsequent to the writing of the letters therein referred to, it was ascertained that such of the criticisms and statements of inaccuracies voiced in said letters as were not subsequently corrected were without foundation and were based on faulty recollection, that the curves of the chart, prior to publication, were ascertained to be correct, and further that the chart was actually adverse to Hartford because all feeder production of pressed ware was omitted, so as to the draw a true comparison with Owens Bottle machine production. For a further detailed statement of the facts in this regard, Hartford refers to Paragraph 6 of its reply to the Petition in No. 4414.

In answer to the last two paragraphs on page 12 of the Petition Hartford admits that by letter dated October 30, 1933, this Court's attention was directed by Shawkee to the fact that the aforesaid article had been submitted to the

National Glass Budget by Mr. Hatch, but avers that prior to such submission, the same had been carefully checked by Mr. Clarke, changed by him in some respects and then approved and signed by Mr. Clarke.

Hartford denies that the true facts were not then available to Shawkee and that the true facts were suppressed by Hartford, but avers, on the contrary, that the facts were available to Shawkee, and that prior to the decision of this Court, Hartford, by its counsel, had advised Shawkee's counsel as to persons who had knowledge of the facts, as hereinafter more fully set forth.

[fol. 67] 4. Answering page 13 of the Petition, Hartford denies that the petitioners were unable to prepare and file their said Petition prior to June 1941; denies that petitioners have exercised proper and reasonable diligence in presenting the same; and avers:

The appeal in this case was argued on October 3, 1933. On October 20, 1933, one of the counsel for Shawkee wrote to one of the counsel for Hartford, stating that subsequent to the argument in this Court certain correspondence had been brought to the attention of Shawkee's counsel "showing that the (Clarke) article * * * was published * * * at the request of Hartford-Empire Company by one of its attorneys, Mr. R. F. Hatch * * *," and on October 30th said counsel for Shawkee advised the Judges of this Court of the correspondence just referred to. On the same day, counsel for Hartford advised counsel for Shawkee that if the latter desired that the correspondence "be placed before the Circuit Court of Appeals and that Court is willing to accept it, we will interpose no objection". Copies of all the pertinent correspondence and exhibits thus laid before the judges of this Court are hereto attached as Schedule "A" and made a part hereof.

Hartford refers to Paragraph 8 of its reply to the Petition in No. 4414 for a statement of the facts as to the knowledge acquired by Messrs. Wood and Wood as to the authorship of said article. As appears from the Appendix to Hartford's brief on the original petition herein, pages 118, 119, the late William J. Belknap, of counsel for Hartford, wrote to Edmund P. Wood on November 13, 1933, asking confirmation of Mr. Belknap's understanding that Mr. Wood was aware prior to the trial of the Hazel-Atlas case in 1929 that Mr. Hatch had been instrumental in having the

article published; and Mr. Wood replied under date of November 14, 1933 confirming the fact. On November 17, [fol. 68] 1933, copies of Mr. Wood's letter just referred to were sent by counsel for Hartford to the Judges of this Court and also to counsel for Shawkee.

5. On December 16, 1933, counsel for Shawkee again wrote to the Judges of this Court calling attention to the then recent decision of the Supreme Court in *Keystone Driller Co.* v. *General Excavator Co.*, and asserted that the facts as to said article constituted a case of unclean hands. In that letter, counsel for Shawkee stated that

> "it appears for the first time subsequent to the submission of the case in this court that in the prior suit (the Hazel-Atlas case) upon which plaintiff now relies, this court was influenced by a publication which first had been instigated and then invoked by plaintiff to secure a favorable action by the Patent Office when the application for the Peiler Patent, here sued on, was pending and had relied upon and invoked that publication and other publications which had never been introduced in evidence in the litigation but appeared in the record only because they appeared in the Patent Office file wrapper as matters which had been presented ex parte by the present plaintiff to support the application for the Peiler Patent and to overcome the action of the Patent Office in rejecting claims by Peiler upon the disclosure of the Hitchcock Patent upon which the defendant here relies for justification of its action in making the machine here complained of."

He further stated that the correspondence sent to the Court shows that

> "the publication of this article in the Glass Budget was instigated by the ingenious brain of Mr. Hatch, one of plaintiff's attorneys",

was used in the Patent Office and that later, plaintiff's brief in the Hazel-Atlas case in this Court "quoted from this article".

[fol. 69] 6. On January 11, 1934, the opinion of this Court was filed herein, dismissing the appeal. On February 8,

1934, a petition for rehearing was filed based in part on the alleged newly discovered evidence as to said article, and alleging that it showed that Hartford was in court with unclean hands. On February 21, 1934, the petition was denied.

7. Hartford refers to Paragraph 14 and Schedule F of its reply to the Amended Petition in No. 4414 for the facts as to the disclosure of matters relating to the Clarke article by the filing of the complaint in the case of *United States of America* v. *Hartford-Empire Company, et al.*; and avers that on the filing of said complaint on December 11, 1939, detailed charges as to the authorship of said article were made of public record. Hartford further avers that a complete copy of said complaint was in the hands of present counsel for the petitioners herein shortly after the filing thereof, as was admitted by said counsel at the hearing in this Court on the original petition.

8. Counsel for Shawkee was advised by counsel for Hartford by a letter dated October 24, 1933 (in Schedule A annexed hereto) that the existence of the papers presented to the Judges of this Court by counsel for Shawkee, as aforesaid, were known to counsel for the Hazel-Atlas Glass Company before the appeal in No. 4414 was heard by this Court, and by letter dated October 30, 1933 (in Schedule A) counsel for Shawkee was advised that the same was also known to counsel for the defendant in the *Nivison-Weiskopf* case (Messrs. Wood and Wood). Hartford refers to Paragraph 8 of its reply to the Petition in No. 4414 for a statement of the facts as to the knowledge of counsel for Hazel-Atlas and Nivison-Weiskopf on this matter as of October 30, 1933, and Hartford avers that by said letters of October 24 and October 30, 1933, counsel for Shawkee were given [fol. 70] such information that by the exercise of only ordinary diligence, they could have ascertained all the additional facts as to the authorship of the article had they chosen to do so.

Counsel for Shawkee thereafter wrote to counsel for Hazel-Atlas asking whether they could confirm the information given to counsel for Shawkee by counsel for Hartford "that the matters relating to the article in the Glass Budget" referred to in the papers submitted by counsel for Shawkee to the Court on October 30, 1933, as above stated,

"were fully known to counsel" for the Hazel-Atlas company at the time the case was tried. He received a reply dated November 10, 1933 stating that counsel for Hazel-Atlas'

> "present impression is that prior to the trial, perhaps when I first knew of this article, probably soon after the patent issued in 1927, I thought that the Hartford-Empire Company might have been responsible for the article, but that I did not, prior to the trial, know of the papers. However, my recollection now is too indefinite to be positive and I would have to go through the voluminous collection of papers relating to the various Hartford-Empire litigations, including correspondence, before I could be more definite. This would take about two days and it is possible that there would be nothing in the papers to make me more definite than I now am."

Hartford avers that Shawkee counsel made no effort to have counsel for Hazel-Atlas make any examination of his records to refresh his recollection as to what he knew about the article, nor did they make any effort to ascertain what knowledge Messrs. Wood and Wood had after a copy of Mr. Edmund Wood's letter to Mr. Belknap was sent to counsel for Shawkee, as aforesaid.

Hartford avers that petitioners' failure to exercise diligence under these circumstances, for a period of eight years, deprives them of any right to relief under their [fol. 71] present Petition, and that there has been such laches in the filing of the Petition herein that the same should be denied.

Hartford further avers that Shawkee made no attempt to investigate the facts as to the preparation of said article in or immediately after December 1939 when Shawkee's counsel came into possession of the complaint in the case of *United States* v. *Hartford-Empire et al.* above referred to, or to call the same to the attention of this Court at that time.

9. The bill of Complaint herein was filed May 31, 1933. At that time, one of the defendants, Shawkee Manufacturing Company, was making and offering for sale glass feeders whose operation was charged to infringe the Peiler patent in suit. Two other defendants, Glenshaw Glass

Company and McKee Glass Company, were using the like feeders in day to day operation. The fourth defendant, George R. Haub, was an engineer formerly in the employ of Hartford and of Hazel-Atlas Glass Company, and was made a defendant as the designer of the accused feeders. The District Court filed its opinion on July 22, 1933, granting a preliminary injunction, limited, however, to enjoining the sale or disposition of the accused feeders to third parties, and refusing to enjoin the use of the feeders by the defendants themselves.

On June 27, 1933, the defendants filed their answer. Two of the defendants, Glenshaw Glass Company and McKee Glass Company, admitted in the joint answer of the defendants (Rec. p. 18) that they were then and had been licensed by Hartford to use certain glass feeders owned by Hartford and embodying and performing inventions of Hartford, including "the method invention of the letters patent here in suit; and that they have acknowledged and recognized and still continue to acknowledge and recognize [fol. 72] the validity of letters patent of plaintiff including the letters patent here in suit". The defendants averred (Rec. p. 20) that if the claims in suit of said patent 1,655,391 were interpreted to embody the apparatus and method of the accused device, then the claims in suit were invalid in view of certain prior art cited, including prior art not before the Court in the Hazel-Atlas suit.

As hereinbefore stated, Shawkee's counsel proposed in open Court at the hearing of the appeal herein, that the parties stipulate that the case be considered by this Court as if on final hearing, and a written stipulation to that effect was entered into and filed forthwith. Although Shawkee wrote to the Judges of this Court, prior to the decision of this Court, "that the publication of this article in the Glass Budget was instigated by the ingenious brain of Mr. Hatch, one of plaintiff's attorneys * * *"; no request was made that the defendants be relieved of the stipulation which their counsel had proposed, providing for the disposition of the case as though on final hearing, and no request was made that the case be reopened to receive evidence as to the genesis or truth of the aforesaid article. In the petition for rehearing above referred to, no contention was made that said stipulation had been entered into inadvertently, nor did Shawkee seek to be discharged therefrom.

Hartford avers that by its acts and omissions, Shawkee has waived and abandoned any right to reopen the case on the basis of the said article, and that, by adhering to said stipulation after having obtained full knowledge or opportunity for knowledge as to the genesis of the said article, Shawkee elected not to make any defense based thereon.

10. Hartford avers, for the reasons stated in Paragraph 18 of its reply to the pending petition in No. 4414, that the reference by Hartford to the said article in its brief before this Court in No. 4414 constituted no fraud, and that Hart-
[fol. 73] ford's reliance in this case on the decision of this Court in No. 4414 constituted no fraud in the case at bar.

11. Hartford further avers that the public interest does not require a reopening of this case. The decree of the Court as to infringement was *in personam* merely and applies only to the particular feeders whose operation was complained of. The proceedings in the Patent Office on application Serial No. 294,792, which matured into the Peiler patent in suit, constitute no bar against an action for infringement on the Peiler patent, either at law or in equity, but can be challenged only by the United States Government, in a direct proceeding.

12. Hartford makes a part hereof the original affidavits and exhibits herein before filed by Hartford in response to the original petitions herein.

13. Attached hereto as Schedule B and made a part hereof is a chronology of important events in this suit.

Wherefore Hartford prays that the petition of Shawkee, as amended, be denied.

Hartford-Empire Company, By Stebbins & Blenko, Attorneys. Francis W. Cole, Edgar J. Goodrich, James M. Carlisle, Of Counsel.

(Thomas G. Haight as Counsel for Plaintiff-Respondent took a principal part in drafting this Reply, but he died suddenly on January 26 before the Reply was filed.)

[fol. 74] Verification

State of Ohio,
County of Lucas, ss:

Robson D. Brown, being duly sworn, deposes and says that he is a Vice President of Hartford-Empire Company,

the Plaintiff-Respondent herein; that he has read the foregoing reply and that the statements therein are true to the best of his knowledge, information and belief.

Robson D. Brown.

Sworn to and subscribed before me, a Notary Public in and for said County and State, the — day of February, 1942.

[fol. 75] SCHEDULE "A" TO REPLY

Correspondence and Exhibits submitted to the Judges of this Court by Shawkee's counsel in October, 1933, as follows:

Letter, Otto R. Barnett, Esq., to Thomas G. Haight, Esq., Oct. 20, 1933

Letter, Mr. Haight to Mr. Barnett, Oct. 24, 1933

Letter, Mr. Haight to Mr. Barnett, Oct. 30, 1933

Letter, Mr. Barnett to Judge Buffington, Oct. 30, 1933, with the following enclosures:

1. Letter, Hatch to National Glass Budget, July 9, 1926
2. Letter, Budget Publishing Co. to Hatch, July 12, 1926
3. Letter, Budget Publishing Co. to Clarke, July 13, 1926
4. Letter, Hatch to Kimes of National Glass Budget, July 14, 1926
5. Certified copy of papers from Patent Office file of application for Peiler patent 1,655,391. See Record of this suit, No. 4414, Vol. V, pp. 261-265, 301
6. The typed Clark article. See Hartford appendix, pp. 95-106 and Schedule A attached to Hartford's Reply to Amended Petition in No. 4414.
7. Copy of letter, Mr. Barnett to Mr. Haight, Oct. 20, 1933 (printed at p. 13, infra)

8. Copy of letter, Mr. Haight to Mr. Barnett, Oct. 24, 1933 (printed at p. 14, infra).

The foregoing are reproduced herewith, except the fifth and sixth enclosures accompanying Mr. Barnett's letter to Judge Buffington of Oct. 30, 1933.

[fol. 76] "October 20, 1933.

"Hon. Thomas G. Haight,
Exchange Place,
Jersey City, N. J.

Re Shawkee et al. vs. Hartford-Empire Co.

My dear Judge Haight:

"Since the conclusion of the argument in the Court of Appeals in the above case I have had submitted to my attention certain papers showing that the article published in the National Glass Budget under date of July 17, 1926 which purported to be written by the President of the American Flint Glass Workers' Union was published at the request of Hartford-Empire Company by one of its attorneys, Mr. R. F. Hatch.

"This request was sent by Mr. Hatch to his personal friend Mr. Thomas A. Kimes, Secretary of National Glass Budget. Following the publication of the article, a certified copy of it was filed in the Patent Office in support of the then pending Peiler application which resulted in Peiler Patent No. 1,655,391. This is the article which was quoted quite extensively by Judge Buffington in his opinion in the Hazel-Atlas case upon which Hartford-Empire Company relies in support of its contentions in the Shawkee case.

"I am sure you will agree with me that all of these papers should be immediately called to the attention of the judges who heard the Shawkee case on appeal as matters which the court may deem pertinent but which were previously unknown to counsel for either side.

"I feel that you, as senior counsel for the Hartford-Empire Company, which has been claiming the benefit of this article, have the prior right to clarify this situation by sub-
[fol. 77] mitting these papers to the court immediately and feel confident that you will agree with this suggestion and act accordingly.

"Should I be mistaken in this respect, counsel for Shawkee et al. feel that it is their obligation to the court as well as to their client to see that these papers are promptly submitted to the court.

"As whatever action is taken must be taken promptly, may I have your early reply stating your suggestions as to how the matter should be handled.

"With personal regards.

"Very truly yours,

(Signed) Otto R. Barnett."

"October 24, 1933.

"Otto R. Barnett, Esq.,
1518 Monadnock Block,
Chicago, Ill.

Shawkee v. Hartford-Empire Company.

My dear Mr. Barnett:

"Your letter of the twentieth, with enclosures, was forwarded to, and has just reached me here.

"I do not know of any procedure which permits an appellate court to consider evidence which was not before the lower court; nor would I feel at liberty to attempt to inaugurate such a procedure without the permission of the appellate court. I cannot, therefore, agree with you that the papers, photostats of which you enclosed, should be immediately called to the attention of the Judges who heard [fol. 78] the above case on appeal. However as you know, I have several associates in this matter, and I do not feel at liberty to adopt any definite course of action without their concurrence. I have accordingly advised all of them by letter today of your letter and suggestions, and as soon as I have heard from them I will let you know definitely what we will do.

"I suggest, if you feel the matter of determining whether these papers should be submitted to the Judges of the Circuit Court of Appeals should not wait that long, that you give notice of an application to be made to the Circuit Court of Appeals for permission to incorporate these papers in the record. I will be before the Court on Thursday next, November second, and it would accommodate me very much if you could make the application, if you determine to make

one, at that time. Speaking personally, I would not feel it would be fair, even if the Circuit Court of Appeals were willing to accept the letters and documents which you enclosed, to submit them unless they were accompanied by depositions or affidavits of explanation by the parties who wrote them respectively.

"I am advised that the existence of the paper was known to counsel for the Hazel-Atlas Company before that case was heard in the Court of Appeals, and to counsel in another case in which the Hartford-Empire Company was the plaintiff, but no effort was made by counsel in either case to make any use of the papers. Indeed, the person who wrote one of the letters—I think Mr. Hatch—was produced at the trial by the Hartford-Empire Company at the request of counsel for the defendant in the second of the above cases mentioned, but he was not called.

"Sincerely yours,"

[fol. 79] "October 30, 1933.

"*Hartford-Empire Co.* v. *Shawkee Mfg. Co. et al.*

"Dear Mr. Barnett:

"I have just been able to get in communication with other counsel for the plaintiff since writing you on October 24th. As you know I was engaged in a trial at Camden all of last week. We all feel that the correspondence which you enclosed in your letter is evidentially irrelevant for several reasons and has no proper place in the record. If, however, you desire that it should be placed before the Circuit Court of Appeals and that Court is willing to accept it, we will interpose no objection.

"Quite aside from other reasons, we think that you will agree with us that the correspondence is irrelevant for any purpose unless you are prepared to show that the statements in Mr. Clarke's article which were quoted by Judge Buffington are untrue. They are true and were fully supported by other parts of the record in the Hazel-Atlas case. Indeed, as we have understood the position of your associates in this matter since the Shawkee case started, they have never contended to the contrary and, in fact, we do not see how defendants can contend to the contrary in view of certain statements relating to the development of the art

appearing in the Haub application found in the Supplemental Record on pages 13 and 14.

"As I heretofore wrote you, the same correspondence was known to counsel for the defendant in the Hazel-Atlas case before the trial and was also known to counsel for the defendant in the Nivison-Weiskopf case before the trial, and in neither case did counsel for the respective defendants make any attempt to use the same.

[fol. 80] "The article in question found its way into both cases through the introduction in evidence of file wrappers.

"If you determine to transmit the correspondence and other documents which you enclosed in your letter of October 20th, to the Circuit Court of Appeals, will you please send to the Court a copy of this letter? Will you also please send me a copy of any letter you write to the Court or the Clerk?

"Sincerely yours, —— ——.

"Otto R. Barnett, Esq., 1518 Monadnock Building, Chicago, Illinois."

"October 30, 1933.

"Hon. Joseph Buffington, United States Circuit Court of Appeals, Federal Building, Philadelphia, Pa.

Re: Shawkee vs. Hartford-Empire Company

My Dear Judge Buffington:

"In your decision in the Hazel-Atlas case on the Peiler patent much weight was given to certain publications, including a published article purported to have been written by William P. Clarke, President of the American Flint Glass Workers Union, paying tribute to the Peiler invention.

"After the argument of the Shawkee case in your court was completed there was brought to my attention certain original correspondence, including the original of the Clarke [fol. 81] article bearing the printer's marks showing that the Clarke article was printed at the instigation of the Hartford-Empire Company, through one of its attorneys, R. F. Hatch, who appears as one of its witnesses in the record in the Shawkee case. Mr. Hatch submitted the article to his friend Mr. A. W. Kimes, Secretary of the publication in which the article appeared. Shortly thereafter that

article was used in the Patent Office in support of the prosecution of the Peiler application which was then owned by Hartford-Empire Company.

"Believing that these facts should be known to the court as having a bearing on the opinion in the Hazel-Atlas case upon which plaintiff so strongly relies in the Shawkee case, I submitted photostatic copies of these papers to Judge Thomas G. Haight, principal counsel for plaintiff in the present case, suggesting that he submit them to the court.

"But Judge Haight did not agree with me that this should be done.

"Accordingly, I submit to your Honor herewith copies of the following papers:

"1. Letter of Hartford-Empire Company, per R. F. Hatch, to National Glass Budget, enclosing the Clarke article and requesting that it be published.

"2. Letter from Budget Publishing Company to Mr. Hatch promising to publish the article promptly.

"3. Letter from Budget Publishing Company to William P. Clarke.

"4. Letter from Hartford-Empire Company, by Mr. Hatch, to A. W. Kimes of National Glass Budget.

"5. Certified copy from the Patent Office in the matter of the Peiler Patent No. 1,655,391, including an argument [fol. 82] by Peiler's attorneys in reply to a letter of objection and an affidavit by T. A. Kimes accompanying said argument and swearing to the authenticity of the copy of National Glass Budget for July 17, 1926 there referred to.

"6. The typed Clarke article.

"7. Copy of my letter to Judge Haight of October 20th.

"8. Copy of Judge Haight's reply to me.

"It is quite true that these papers are probably not pertinent evidence in the present case for the reason that neither the Clarke article nor the other articles referred to in a Court of Appeals opinion in the Hazel-Atlas case are in evidence in the present record.

"It is true that they are contained in the Hazel-Atlas record and that the Hazel-Atlas record is in evidence in the present case. That fact merely shows what record was

before this court in the Hazel-Atlas case but of course does not establish as proven facts in this case any matter shown in the Hazel-Atlas record.

"The enclosed papers emphasize the importance of this distinction. If the Clarke article were in evidence in the present case these papers would be pertinent as newly discovered evidence.

"Believing that these papers show that pertinent facts were withheld from the court when the Clarke article was introduced in evidence in the Hazel-Atlas case and that in the absence of the testimony of witnesses as to their origin and authenticity the same may be true as to other published articles relied on by the court in the opinion in the Hazel-Atlas case, I submit these papers for your Honor's [fol. 83] consideration. I do not understand that their authenticity is challenged by the Hartford-Empire Co.

"A copy of this letter is being sent to Judge Haight by this same mail.

"Respectfully submitted, (Signed) Otto R. Barnett, Of Counsel for Shawkee Manufacturing Company et al."

Letterhead of Hartford-Empire Company

Hartford, Conn.

"July 9, 1926.

National Glass Budget, 230 5th Ave., Pittsburgh, Pa.

Attention: Mr. Kimes

DEAR MR. KIMES:

I am now having copies and I hope to be able to send it with this letter, a final revision of an article relating to organized labor and the introduction of glass feeding mechanism. This article is prepared by Wm. P. Clarke, President of the American Flint Glass Workers' Union. Mr. Clarke's address, as you probably know, is the American Bank Bldg., Toledo, Ohio.

We are considerably interested in the publication of this article and we believe that it is of sufficient general interest to make it acceptable to you for publication.

[fol. 84] I am going to send you the original copy which has been corrected and signed by Mr. Clarke, but we want to be sure to get this signed copy back again to return to Mr. Clarke in accordance with his request. With it I will enclose a clean copy made from the original draft.

I do not know just the process that you employ in preparing this article. I assume of course that as the editor you are entitled to blue pencil it if you think it necessary. I might say that the remarks relating to the Owens Company will not give them any offense, as they have already seen the article. Mr. Clarke would like to see a proof of this before it is published. Is this in accordance with your usual custom and can this be conveniently arranged? We would like to have the article appear as soon as possible and I think that Mr. Clarke will not insist on seeing a proof if it is going to take extra time.

If you can conveniently send Mr. Clarke a proof of this article, his address until Wednesday July 14th will be Hotel Lorraine, Philadelphia, Pa. and after that for a week or more he will be at the Craig Hall Hotel, Atlantic City, N. J.

In case I am not able to enclose the copy with this letter, I will say that it takes 13 typewritten pages and that there is one sheet showing a production chart which will have to be reproduced in some way. You will understand that we do not want to have any unnecessary connection with this article as it is presented wholly as the statement and opinion of Mr. Clarke. If there will be any expense in connection with this, please let us know what it will be.

My present plans call for being in Pittsburgh July 20th and I shall be in to see you as usual. I hope to be able to bring a descriptive article on our I. S. machine at that time with photographs, but this is not sure.

[fol. 85] If there is anything that you can do to aid us in hastening the appearance of this article, we will appreciate your advice.

Yours very truly Hartford-Empire Company By R. F. Hatch.

RFH:ERW.

P. S. Mr. Clarke authorized the publication of this article over his name and in his official capacity as President of his Union.

There is another thing about which I would like to get some information. I do not know whether this article is

too long to appear in one edition of the Budget, but whether it appears in one or two issues it is probable that we would like to get some reprints, perhaps about 100 of a convenient pamphlet size. Would you undertake making these for us? If it is not going to be convenient to get these reprints, we shall want about fifty copies of the Budget in which the article appears.

I suppose that submitting a proof to Mr. Clarke will cause some delay. Therefore I am going to enclose a carbon copy of this re-written article exactly as he submits it for publication and suggest to you that you send this carbon to Mr. Clarke and write him that you either intend to publish it exactly as submitted or indicate on the carbon exactly what changes you wish to make. Please let me know what you do about this. I feel sure that he would be perfectly satisfied to take your word for a faithful reproduction of the typewritten sheets.

R. F. Hatch."

[fol. 86] Letterhead of The National Glass Budget

"Pittsburgh, Pa. July 12, 1926.

Mr. R. F. Hatch, % Hartford-Empire Co., Hartford, Conn.

MY DEAR MR. HATCH:

Your letter of the 9th accompanied by three enclosures, just received. Since the article is to appear over Mr. William P. Clarke's signature it will be published in its entirety in next Saturday's issue of the Budget verbatim with the copy which you had marked for the Budget. Inasmuch as we would not have time to submit the article to Mr. Clarke and get it back in time to use in Saturday's issue, and especially since no changes will appear in the copy, we are going ahead with its publication.

Proofs will be carefully read so that the slightest deviation from the signed article will not take place. Your company will not be connected by us with this article in any way.

Concerning the reprints of the article, or extra copies of the Budget in which it appears, we will gladly supply you with fifty copies of our publication with our compliments. They will be mailed to you on next Friday afternoon. Should you like to have the reprints made also in pamphlet form we will save the type and arrange to have them printed at the lowest possible cost to your firm.

As requested, we are returning herewith the original copy signed by Mr. Clarke. The second carbon copy is being mailed to Mr. Clarke at the Craig Hall Hotel, Atlantic City, N. J. We are advising Mr. Clarke that the article will be reproduced exactly as submitted.

[fol. 87] Glad to see that you are coming to Pittsburgh on July 20th. Do not forget that Mrs. Kimes and I are to show Mrs. Hatch and you around the city, Do you care for baseball games? Boston will play here on the afternoon of the 20th and Brooklyn is scheduled for the following day. Should you like to see the Pirates in action let us known promptly which game you would prefer seeing. Be sure and call us up upon your arrival in this city.

Allow us to assure you that we greatly appreciate your kind favor in supplying the article for publication.

Very truly yours, Budget Publishing Co. A. W. Kimes.

AW Kimes/H".

"July 13, 1926.

Mr. Wm. P. Clarke, % American Flint Glass Workers' Union, Craig Hall Hotel, Atlantic City, N. J.

My dear Mr. Clarke:

Enclosed herewith you will find the carbon copy of an article you will readily recognize and which was sent to us by Mr. Hatch. He requested that if the slightest change be made to the article as submitted that a proof showing same be sent to you. Inasmuch as the article is being printed verbatim and that time was scarce, we are going ahead with the publication of it in Saturday's issue of the Budget.

Trust that our action in this instance will meet with your approval.

[fol. 88] On Friday a dozen copies of the current issue of the Budget will be mailed to you at Atlantic City.

Do not forget that we will appreciate having any news concerning the Flints annual convention or the wage conferences that you can consistently release for publication.

Again thanking you for the many kind favors extended to the Budget.

Very truly yours, Budget Publishing Co.

AWKimes/H".

"July 14, 1926.

Mr. A. W. Kimes, National Glass Budget, 230 Fifth Avenue, Pittsburgh, Pennsylvania.

DEAR MR. KIMES:

We are very glad to note by your letter of July 12th that you found the Clarke article to be acceptable for publication. I have written Mr. Clarke this morning in regard to the failure to submit printed proofs to him and I think that this will not be objectionable to him. If he has any criticisms to make it will be directed against me, as this was my suggestion.

I take it that this will all appear in a single issue of the Budget. We certainly appreciate your offer to supply us with fifty copies with your compliments. I have taken the matter of the re-prints up with Mr. Brown and we have decided that probably the original publications will carry [fol. 89] a little more weight than a reprint, therefore, we would like to have you send us fifty additional copies, making one hundred in all. But, we insist most emphatically, that the additional fifty copies shall be billed us at your regular rate. In view of this decision it will not be necessary for you to save the type of the original article.

It certainly is very kind of you and Mrs. Kimes to make plans to entertain Mrs. Hatch and myself. I doubt if it will be advisable for you to make any plans in advance. There is a strong possibility that I may not be able to leave here on the 18th as I plan, and I find that I have to make one stop on the road, so that it is not exactly sure just what time I will arrive. I expect to get there on July 20th, but it might be a day earlier or later. I shall certainly let you know as soon as I get in town and I am sure that we would be delighted to have you show us around the city a little. About all I know of it is the business district.

Very truly yours, Hartford-Empire Company, by

RFH-T".

[fol. 90] SCHEDULE "B" TO REPLY

Chronology of Events

May 5, 1932. This Court's Opinion filed in Hazel-Atlas case, holding the Peiler patent valid and infringed.

May 17, 1932. Hazel-Atlas procured the affidavits of Messrs. Wood & Wood stating that both Clarke and Hatch had told them that the article had been originally prepared by Hatch.

May 31, 1933. Bill of complaint herein filed (Rec. p. 1).

June 22, 1933. Opinion of District Court filed, granting preliminary injunction against sale of the accused feeders, but refusing to enjoin their continued use by defendants (Rec. p. 259).

June 27, 1933. Answer filed, two of the defendants admitting validity of the Peiler patent in suit and the other defendants not denying its validity (Rec. p. 15, p. 18).

June 27, 1933. Decree entered directing preliminary injunction (Rec. p. 2).

June 29, 1933. Appeal taken from decree granting preliminary injunction (Rec. p. 2).

Oct. 3, 1933. Appeal argued (Rec. p. 488). The parties stipulated that the case might be disposed of as though on final hearing (Rec. p. 487).

Oct. 30, 1933. Shawkee notified the Judges of this Court that the article had been instigated by Hatch and published at Hartford's request (Hartford Appendix p. 34).

Nov. 17, 1933. A copy of Mr. Wood's letter of November 14, 1933 was sent to the Judges of this Court and to counsel for Shawkee (Hartford Appendix, p. 41).

[fol. 91] Jan. 11, 1934, Opinion of this Court, dismissing the appeal, filed (Rec. p. 489).

Feb. 8, 1934. Petition for rehearing filed, based in part on the fact that the article had been instigated by Hatch, and averring unclean hands therein (Rec. p. 495).

Feb. 21, 1934. Petition for rehearing denied (Rec. p. 503).

Apr. 3, 1934. Shawkee filed petition for writ of certiorari (Shawkee petition, p. 3).

May 7, 1934. Petition for certiorari denied (Shawkee petition, p. 3).

May 29, 1934. Shawkee filed in this Court a petition for leave to file a bill of review based on decisions in other

Federal Jurisdictions and a decision of the House of Lords (Shawkee petition, p. 4).

July 23, 1934. This Court denied Shawkee's petition for leave to file a bill of review (Shawkee petition, p. 4).

Sept. 7, 1934. Shawkee filed its second petition for writ of certiorari (Shawkee petition, p. 4).

Oct. 15, 1934. Shawkee's second petition for certiorari denied (Shawkee petition, p. 4).

Oct. 17, 1934. Mandate of this Court issued (Shawkee petition, p. 4).

Oct. 19, 1934. Decree entered in District Court ordering an accounting (Shawkee petition, p. 4).

Oct. 20, 1934. Shawkee filed a petition in this Court to amend and reform the mandate (Shawkee petition, p. 4).

Nov. 14, 1934. Petition to amend and reform mandate denied (Shawkee petition, p. 4).

[fol. 92] Apr. 8, 1935. Shawkee filed in this Court a second petition for leave to file a bill of review.

July 3, 1935. Shawkee's second petition for leave to file a bill of review denied (Shawkee petition, p. 4).

Oct. 1, 1935. Shawkee filed its third petition for writ of certiorari.

Oct. 28, 1935. Shawkee's third petition for certiorari denied (Shawkee petition, p. 4).

Mar. 5, 1938. Shawkee filed in this Court a petition for rehearing and for leave to file a supplemental amendment to the answer (Shawkee petition, pp. 4-5).

May 31, 1938. Shawkee's petition for rehearing and for leave to file a supplemental amendment to the answer denied (Shawkee petition, p. 5).

Feb. 14, 1939. Final order of District Court entered, closing the litigation (Shawkee petition, p. 5).

Dec. 11, 1939. Complaint filed in *United States* v. *Hartford et al.*, reciting detailed charges as to the preparation and publication of the article (Hartford's reply to petition in No. 4414, Par. 14). A copy of the complaint was in the hands of Shawkee's counsel shortly after its filing, as was admitted by counsel at the hearing on the original petition herein.

Oct. 24, 1941. Shawkee's original petition filed.

[fol. 51] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT, OCTOBER TERM, 1941

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants.

And afterwards, to wit, the 27th day of February, 1942, come the parties aforesaid by their counsel aforesaid, and this case being called for re-argument sur Petition for Leave to File a Bill of Review, before the Honorable John Biggs, Jr., Honorable Albert B. Maris, Honorable William Clark and Honorable Charles Alvin Jones, Circuit Judges, and the Court not being fully advised in the premises, takes further time for the consideration thereof,

And afterwards, to wit, on the 30th day of June, 1943, come the parties aforesaid by their counsel aforesaid, and the Court, now being fully advised in the premises, renders the following decision:

[fol. 52] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT, OCTOBER TERM, 1941

No. 4414

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellant,

v.

HAZEL-ATLAS GLASS COMPANY, Defendant-Appellee.

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants.

On Petitions of Hazel-Atlas Glass Company and Shawkee Manufacturing Company to Vacate and Set Aside Orders of This Court in the Above-Entitled Appeals.

OPINION—Filed June 30, 1943

Before Biggs, Maris, Clark and Jones, Circuit Judges.

[fol. 53] JONES, *Circuit Judge*.

Hazel-Atlas Glass Company and Shawkee Manufacturing Company, defendants-respectively in the above-entitled

suits, each filed a petition in this court for leave to file a bill of review in the District Court in respect of the final decrees severally entered therein. The petitions alleged in substantial part that a fraud had been practiced upon this court in connection with the appeal in the Hazel-Atlas case and that it had induced this court's order (59 F. 2d 399, 413) reversing the decree of the District Court in that case (39 F. 2d 111, 120). The decision in the Hazel-Atlas case in turn compelled the decree of the District Court in Hartford-Empire's favor in its suit against Shawkee and others which on appeal was affirmed by this court. See Shawkee Mfg. Co. et al v. Hartford-Empire Co., 68 F. 2d 726.

As the petitions relied solely upon the fraud allegedly practiced upon this court and set forth nothing appropriate for the District Court's inquiry upon bills of review in respect of the subject-matter of the suits in that court, leave to file the bills below was accordingly denied. However, adopting by analogy the procedure followed in the cases of Art Metal Works v. Abraham & Straus, Inc., 107 F. 2d 940, and 107 F. 2d 944, cert. den. 308 U. S. 621, we granted leave to the petitioners to amend the prayers of their respective petitions so as to seek relief from this court, on the ground of the alleged fraud, against the orders heretofore entered in the above appeals. The petitions were amended accordingly and, as so amended, are now before us.

In 1928 the Hartford-Empire Company sued the Hazel-Atlas Glass Company in the District Court for the Western District of Pennsylvania for the alleged infringement by Hazel-Atlas of Hartford-Empire's patent (No. 1,665,391), known as the Peiler patent. The District Court, deeming the patent to be at best but a slight improvement in a well developed art (automatic feeders for mechanical glass-bottle blowing), held that the claims were not entitled to [fol. 54] a broad construction and that, with the Peiler patent so construed, Hazel-Atlas had not infringed (39 F. 2d 111). On appeal this court (one judge dissenting) considered Peiler a pioneer in what was thought to be a meagre art in the glass-blowing industry and that the claims of the patent were therefore entitled to a broad construction. So construed, the validity of the patent was sustained and Hazel-Atlas was held to have infringed the forty-four claims (out of the sixty of the patent in suit) upon which the plaintiff relied. The decree of the District Court was accordingly reversed (59 F. 2d 399, 413) and the record re-

manded "with instruction to enter a decree holding the plaintiff's patent valid and the claims sued on infringed, and directing an accounting."

The opinion for the majority in support of the order thus entered by this court made frequent references to and quoted extensively from an article in a trade journal known as the National Glass Budget. The article purported to be the work of one William P. Clarke, who had signed it as author, and was titled—"Introduction of Automatic Glass Machinery; How Received by Organized Labor—By William P. Clarke, President, American Flint Glass Workers Union." After alluding to the historic opposition of glass workers to mechanical glass-blowing appliances, the so-called Clarke article went on to show that, prior to gob-feeders, the only successful automatic feeder for a glass-blowing machine had been that covered by the Owens patent, which, like another patent (Brooke), operated on the principle of stream feed into a mold (the former by suction and the latter by flow) of molten glass of high temperature and low viscosity, unlike the automatic plunger gob-feeder (Peiler's patent). Appended to the article was a chart purporting to show the ascending curve of the increased glass bottle production from the use of gob-feeders from 1917 onward, and the almost concomitant flattening of the production curve of manufacture under the Owens patent which, up to that time, had increased both continuously [fol. 55] and regularly. The Clarke article, which had not been introduced in evidence in Hartford's suit against Hazel-Atlas, got into the record merely as a part of the voluminous file-wrapper history of the Peiler patent in its long and precarious course in the Patent Office. Neither had it been used nor adverted to at trial; nor was it referred to in the briefs below nor in the exhaustive opinion of the trial judge.

The fact is that the article had not been written by Clarke, but by one R. F. Hatch, an attorney in the patent department of Hartford, which by that time had become the assignee of the Peiler patent application. Hatch not only prepared the article and its accompanying chart but he also procured Clarke's signature thereto as the author, and caused it to be published in the National Glass Budget with the understanding, assented to by the publisher, that Hartford should not be connected with it. The article appeared in the July 17, 1926 issue of the National Glass Budget.

R. D. Brown, Vice-President and Patent Counsel of Hartford, and V. M. Dorsey, a patent attorney for Hartford, brought the published article to the attention of the Patent Office on October 12, 1926, with special reference to the Peiler application (Serial No. 294,792), whereon the patent (No. 1,665,391) issued on January 3, 1928.

It is unnecessary for present purposes to relate in detail how Hatch, aided and abetted by Brown and Dorsey as well as by H. W. Carter, of Owens Bottle Company,[1] deliberately set about "to get the production curve and a few statements in regard to gob feeding into print" (from a source ostensibly hostile to labor-saving glass-blowing machinery) for use in the Patent Office in connection with the Peiler application which had already been rejected on the ground that its claims were not patentable. As the matter then stood, the Peiler application was confronted with apparently insurmountable Patent Office opposition. That [fol. 56] Hatch, Hartford's employee, and not Clarke, the labor leader, wrote the article and that the purpose of the methods employed in having it published was as above indicated may now be taken as indisputably established. But, sordid as is the story concerning the genesis of the Clarke article and the deceptive design and use of its spurious authorship, still it does not qualify as after-discovered evidence in either the Hazel-Atlas or the Shawkee suit.

Counsel for Hazel-Atlas were aware at least by the time of the trial of their case in April 1929 that Hatch was the author of the Clarke article. Although then so informed, counsel for Hazel-Atlas deliberately chose not to go into the matter of the article's real authorship, fearing that if they should refer to the article (which was not in evidence), they might thereby call attention to the statements therein contained as to the increased production from gob feeders as compared with stream feeders, which could not be successfully refuted. (See affidavit of Edmund P. Wood, Esq., of Cincinnati, whom both sides accredit.) There is no need to burden this opinion with a detailed recital of how Mr. Wood and his father and formed senior partner, William R. Wood,

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[1] Owens Bottle Company (later Owens-Illinois Glass Company), having made its peace with Hartford by a cross-licensing settlement agreement on April 9, 1924, was thenceforth interested in sustaining Hartford's patents and applications therefor.

Esq., came by their information. They were counsel for the Nivison-Weiskopf Company which was also sued by Hartford for alleged patent infringement. That suit came on for trial in the District Court for the Southern District of Ohio shortly after the trial of the Hazel-Atlas case in Pittsburgh, which the Messrs. Wood had alternately attended from time to time. Suffice it to say that Clarke had told William R. Wood in September 1926 that he had not written the article but that Hatch had; and Hatch had freely admitted to Edmund P. Wood in February 1928 that he had written the article. It was this information which the Messrs. Wood imparted to counsel for Hazel-Atlas at the time of the trial of Hartford's suit against Hazel-Atlas in April, 1929.

In their brief on appeal to this court in the Hazel-Atlas case, counsel for Hartford, the appellant, cited and made reference to the Clarke article and its appended chart, [fol. 57] which they reproduced in their brief, in support of the assertion that "It [the Peiler plunger feeder] Broke the Owens Domination". The only response made to this by counsel for Hazel-Atlas in their brief for the appellee was that the chart was misleading because "the curve for 'gob feeders' starts with the year, 1917" whereas Hartford's "paddle feeder [which it asserts was a gob feeder] went into commercial use in 1915"; that whatever portion of the gob-feeder production shown by the chart up to 1922 was made by plunger feeders "was made on plunger feeders developed by others, for plaintiff's [Hartford's] first plunger feeder was November, 1922"; and, finally, that the chart "is not competent evidence against the defendant, being merely part of *ex parte* statements made in plaintiff's [Hartford's] behalf during the Patent Office proceedings." Nowhere did the brief of counsel for Hazel-Atlas suggest what they then knew, viz., that Hatch had written the Clarke article.

When the importance which the majority of this court attached to the merit of the Clarke article was revealed by the opinion filed on May 5, 1932, in the Hazel-Atlas case, counsel for Hazel-Atlas shortly thereafter obtained affidavits from the Messrs. Wood definitely attributing authorship of the Clarke article to Hatch on the say-so of both Clarke and Hatch. They also caused Clarke to be interviewed by an investigator. While Clarke lamely reaffirmed that he had written the article, a reading of the investigator's report serves to indicate that Clarke's re-

newed claim to authorship, in its cautiously phrased assertions, was lacking in truth. Yet, within approximately ten days after the investigation had been begun it was abandoned without any attempt to interview Hatch, who, according to William R. Wood's accredited affidavit, "had no hesitation in admitting the circumstances" concerning the authorship of the Clarke article as Wood had related them. Nor were the affidavits of the Messrs. Wood, which are now urged upon us, brought to the attention of the court which had just lately heard and disposed of the appeal in [fol. 58] the Hazel-Atlas case. In short, Hazel-Atlas made no timely representations to this court concerning the Clarke article. Furthermore, and notwithstanding that Judge Woolley had entered a strong dissent, no petition for rehearing was filed even to the extent of suggesting that the majority of the court had erroneously considered and reasoned from matter which undeniably was not evidence in the case. The failure to file a petition for rehearing was especially notable. Upon stipulation of the parties, the court on five separate occasions had granted an extension of the time for the filing of a petition for rehearing, the last of these extensions expiring on July 29, 1932. Nor was certiorari asked for. The reason for Hazel-Atlas' uncomplaining and inactive course in the circumstances shown is not far to seek. On July 21, 1932 (as of July 1, 1932) Hazel-Atlas' entered into a settlement and cross-licensing agreement with Hartford.

In view of the foregoing, it is hardly accurate to suggest, if that be the suggestion, that Hazel-Atlas did not know until the disclosures in 1941 in the anti-trust suit of the United States against Hartford-Empire Company and eleven other corporate defendants including Hazel-Atlas in the United States District Court for the Northern District of Ohio that it was Hatch and not Clarke who had written the Clarke article.[2] And the same can be said for Shawkee, the only difference being that Shawkee brought to the atten-

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[2] Hazel-Atlas' first petition to this court in respect of the background of the Clarke article was filed November 19, 1941, following by six months an order entered, over the objections of both Hartford and Hazel-Atlas, by the District Court in Ohio in the anti-trust suit on May 9, 1941, impounding in the hands of the clerk of that court all

tion of the court forthwith, at the time of its pending appeal, its lately acquired information concerning the Clarke article, in the manner and with the result as will now appear.

Hartford's suit against Shawkee and several other defendants for alleged infringement of the Peiler patent was instituted in the District Court for the Western District of [fol. 59] Pennsylvania on May 31, 1933. The matter was brought before the court promptly on the plaintiff's motion for a preliminary injunction and the defendants', motion in opposition thereto, together with supporting affidavits for the respective parties. On June 27, 1933, the District Court filed an opinion and decree awarding the plaintiff a preliminary injunction from which the defendants immediately appealed. The appeal was argued on October 3, 1933, before this court, composed of the same judges who had sat for the argument and disposition of Hartford's appeal in the Hazel-Atlas case.

On October 30, 1933, while the appeal in the Shawkee case was under advisement, Otto R. Barnett, Esq., of counsel for Shawkee, with notice to Thomas G. Haight, Esq., of counsel for Hartford, wrote to Judge Buffington submitting therewith certain copies of papers said to show that "* * * the Clarke article was printed at the instigation of the Hartford-Empire Company, through one of its attorneys, R. F. Hatch * * *." In his letter to Judge Buffington, Mr. Barnett called attention to the weight given by this court in its decision in the Hazel-Atlas case "* * * to certain publications, including a published article *purported* to have been written by William P. Clarke, president of the American Flint Glass Workers Union, paying tribute to the Peiler invention." (Emphasis supplied.) On November 3, 1933, Mr. Haight replied to Mr. Barnett's letter by letter also addressed to Judge Buffington, whereof a copy was sent to Mr. Barnett. That the information respecting the Clarke article, thus imparted to Judge Buffington, came to the attention of the full court is evident from Mr. Haight's letter wherein he states that "Three copies of this letter, in accordance with the suggestion which you made in open Court yesterday, are enclosed herewith." The court on November 2,

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moneys due Hartford and Hazel-Atlas by one to the other under their cross-licensing agreement of July 21, 1932, effective as of July 1, 1932. That petition was denied as stated at the outset of this opinion.

1933 (the "yesterday" just referred to) was composed of the same three judges who had heard both the Hazel-Atlas and the Shawkee cases. And Mr. Barnett, in expressed compliance with the suggestion of the court disclosed by Mr. [fol. 60] Haight's letter, sent Judge Buffington on November 6, 1933, two additional copies of his communication of October 30, 1933. Thereafter Mr. Barnett addressed several more letters to Judge Buffington relative to the matter of the Clarke article, stating in his letter of December 16, 1933, that the correspondence submitted "* * * clearly shows that the publication of this [Clarke] article in the Glass Budget was instigated by the ingenious brain of Mr. Hatch, one of the plaintiff's [Hartford's] attorneys * * *."

Subsequently, viz., on January 11, 1934, this court handed down its decision affirming the decree in the Shawkee case. Shawkee petitioned for a rehearing, which was denied on February 21, 1934. Certiorari was thereafter asked for and denied, 292 U. S. 640, as was also a subsequent petition for certiorari, 293 U. S. 600. In its petition to this court for a rehearing, Shawkee had again set forth "* * * that the [Clarke] article was a publication instigated by the plaintiff [Hartford] and published at the plaintiff's urgent request * * *." There can be no doubt that the matter received the attention of all of the members of the court which had heard the Shawkee, as well as the Hazel-Atlas case. So much for Shawkee's knowledge respecting the Clarke article as long ago as 1933, while the original appeal in the Shawkee case was still pending in this court. In 1935 Shawkee sought this court's leave to file a bill in the nature of a bill of review, which was refused, and again in 1938 sought this court's leave to file a petition for rehearing which was likewise refused. Not possibly can the information as to the facts attending the publication of the Clarke article be deemed to rate as after-discovered evidence so far as either Hazel-Atlas or Shawkee is concerned.

In considering whether the spurious authoriship of the Clarke article was material to this court's decision in the Hazel-Atlas case it is necessary for us to free our minds completely of any views we may independently have that the claims of the Peiler patent fail to disclose patentable invention. We are neither called upon nor would it be ap- [fol. 61] propriate for us to presume to alter or amend a former decision of this court for supposed error therein

on the comparative basis of our possibly differing views with respect to either the merits or the law applicable thereto. Incidentally, the one serious charge which the petitioners have made concerning the Clarke article goes to the deception practiced respecting its authorship. No substantial complaint has yet been made that what the article contained in material part, namely, the ascendency of gob-feeders over stream feeders, was factually false. In fact, counsel for Hazel-Atlas recognized in April 1929 that the only statements in the Clarke article of any possible pertinence were the assertions that Hartford's feeders had gone into widespread commercial use and had been commercially successful, which was freely admitted by everyone concerned with a Hartford suit as being incontrovertible. (See affidavit of Edmund P. Wood, Esq.) To be material, the fraud, whereby a decree was allegedly obtained, must have prevented the party complaining from making a full and fair defense. Toledo Scale Co. v. Computing Scale Co., 261 U. S. 399, 421.

But, wholly apart from the Clarke article, the majority of the court in the Hazel-Atlas case, upon turning to "the proofs", drew their own conclusions in support of the action which the court thereupon took. That such was the primary basis of the majority opinion in the Hazel-Atlas case is confirmed by the opinion for the court in the Shawkee case where, without mention of or reference to the Clarke article, this court again held the Peiler patent valid. True enough, in the Shawkee case the court referred to what it had held in the Hazel-Atlas case with respect to the validity of the Peiler patent. But that only served to confirm that what was held in the Hazel-Atlas case was the court's independent judgment, regardless of the Clarke article. That this is so is further confirmed by the fact that Judge Woolley, who had dissented sharply in the Hazel-Atlas case, separately concurred in the court's order in the Shawkee [fol. 62] case stating that he regarded himself as bound by the court's decision in the Hazel-Atlas case. And that was after the matter of the Clarke article had been brought to the court's attention by the Barnett correspondence while the Shawkee appeal, which had been lately argued, was still under advisement.

In the situation shown, it is not possible for us to say that the Clarke article was so basic to this court's decision in the Hazel-Atlas case that, upon the showing of fraud in

the article's authorship, we would be justified in setting aside the orders in the Hazel-Atlas and Shawkee cases entered by a duly constituted court having jurisdiction to hear and dispose of the appeals in those cases. In no event is the end which was thus made of that litigation to be avoided casually. Cf. Toledo Scale Co. v. Computing Scale Co., *supra*, which quotes at p. 425 from Justice Story's apt statement in Ocean Insurance Co. v. Fields, 18 Fed. Cases 532, as to the need for putting an end to litigation.

So far we have considered this matter on the merit of the petitioners' allegations and their standing to seek the relief for which they petition; and we conclude against them on both grounds. But, even had our conclusions in such regard been otherwise, we would still find ourselves confronted with a lack of power to vacate or set aside the decrees of the District Court, which reside therein unaffected by any retention of jurisdiction in this court.

Following the disposition of the appeals in the Hazel Atlas and Shawkee cases whereby this court acquired the only jurisdiction it ever had over the decrees in those cases, appropriate mandates duly issued and the terms at which the final orders on the appeals were entered expired long prior to the filing of the instant petitions without action having been taken to extend this court's grasp. In that situation there is nothing from which the jurisdiction of this court can be deemed to have been continued. This rule applies with full vigor to a Circuit Court of Appeals. See Nachod et al. v. Engineering & Research Corporation, 108 [fol. 63] F. 2d 594 (C. C. A. 2), where the Court of Appeals said,—"Our term having expired since the mandate went down, we have no power to recall it" (citing cases). And without a recall of the mandate we are powerless to control or affect the decrees in the District Court which the petitioners now ask us to vacate and set aside.

The procedure followed in the Art Metal cases, cited *supra*, does not derogate from this rule. There the vote of a judge of the Court of Appeals who had been corrupted in respect of that litigation was necessary to produce one of the two decisions in the appellate court between the same parties and involving the same patent, so that no qualified court had really disposed of those appeals; and, by the same token, no competent mandates ever issued, hence, the term time was irrelevant. The appeals were in effect treated as never having been *coram judice* theretofore. The

orders thereupon entered in order to clear the record in the Art Metal cases of the former invalid action taken therein cannot properly be utilized to spell out power in a Circuit Court of Appeals to recall its mandate after the expiration of the term when no action has been taken within the term to continue the jurisdiction of the court. The view we thus take of the procedure followed in the Art Metal cases is confirmed by the fact that after the action taken therein looking to a *de novo* argument of those appeals, the same court, composed of the same judges who had sat for the reargument of the Art Metals appeals and had disposed of them on November 20, 1939, just one month later (December 22, 1939) reasserted in the Nachod case, *supra*, the lack of power in a Court of Appeals to recall its mandate after the term has expired.

And, without a recall of the mandates, where would we arrive even though we should conclude that the fraud in connection with the Clarke article was fundamental to this court's decisions in the Hazel-Atlas and Shawkee cases and should attempt to act upon that conclusion? Suppose we should vacate this court's extant orders in those cases, re-[fol. 64] store the appeals to our docket and, after reargument, conclude that the Peiler patent is invalid and thereupon enter orders to that effect. By what right or authority could we impose such orders upon the District Court? Could we require that court to set aside its final decrees heretofore duly entered pursuant to valid and still subsisting mandates of this court and to substitute therefor other decrees in compliance with our later orders? We think not. We are without power to affect a final decree of a District Court except in the exercise of our appellate jurisdiction and, once our mandate, based upon an order of a competently constituted court, goes down, our control over the decree below entered pursuant to the mandate comes to an end unless the mandate be recalled or action otherwise be taken within term time to extend our jurisdiction.

If either Hazel-Atlas or Shawnee feels itself aggrieved by reason of fraud attaching to the procurement of the Peiler patent, the course is open to them to file original bills to impeach the decrees, now standing against them in the District Court, on the ground of the alleged fraud in the issuance of the patent whereof the decrees are predicated. Dowagiac Mfg. Co. v. McSherry Mfg. Co., 155 Fed. 524,

527-528; Cyclopedia of Federal Procedure, Vol. 4, § 1159, pp. 342-345. It is in such an instance, i. e., where the question of alleged fraud in the procurement of a decree is placed squarely before a court having jurisdiction to hear and dispose of the matter, that the rule of United States v. Throckmorton, 98 U. S. 61, and Marshall v. Holmes, 141 U. S. 589, as to whether the alleged fraud is extrinsic or intrinsic, becomes germane.

Nor is the United States, which has filed a brief herein as *amicus curiae*, helpless to annul a patent that has been fraudulently obtained. United States v. American Bell Telephone Company, 128 U. S. 315, 370. But its recourse in such regard is by direct action to that end. In this instance, however, the Government, as its brief expressly states, "is not at present seeking to intervene in the instant suits, nor [fol. 65] is it now taking steps to have the patent here involved annulled."

The petitions to vacate and set aside the decrees in the above-entitled cases must be dismissed.

Judge Clark did not participate in the consideration of these petitions.

Biggs, *Circuit Judge* (Dissenting):

I do not believe that this court lacks the power to remedy an apparent fraud perpetrated on it eleven years ago. On December 29, 1941, we filed a per curiam opinion in the instant cases, 125 F. (2nd) 976, declaring that this court would "* * * pass upon the question of whether the mandates of this court should be recalled and the cases reopened * * *", rather than grant the prayers of the original petitions which were for leave to file bills of review in the district court.

The petitions in their present form are in substance bills for relief against decrees on the ground of fraud. As was stated in Taylor v. Easton, 180 F. 363, 368, the time within which such bills must be filed is governed by the general equitable rule of laches and is not limited by the end of the term at which the decrees were entered. Technicalities of form have not been insisted upon in respect to such bills, and a bill not sustainable as a bill of review, may be treated as a bill to set aside a decree for fraud if it contains the necessary allegations. Cyclopedia of Federal Procedure, Vol. IV, p. 347, citing Dunlevy v. Dunlevy, 38 F. 459. Con-

cededly, with the exception of the two decisions by the Circuit Court of Appeals for the Second Circuit, which are discussed more at length hereafter, I can find no authority for the proposition that bills or petitions seeking the relief sought here may be filed to a circuit court of appeals, but under the peculiar circumstances of this case (particularly in view of the fact that this is the court upon which the fraud was perpetrated), I can perceive no valid reason why, [fol. 66] despite the end of the terms, we should not act to preserve our appellate jurisdiction. The word "bill" of course connotes an original action precisely as the word "petition" connotes an action ancillary to a proceeding already pending but this distinction, which is at best a technical one, affords little support for the position of the respondent in the cases at bar.

The majority opinion is based upon two grounds. The first is an alleged lack of power in this court to set aside the decrees of this court after the end of the terms at which our mandates were dispatched. The second ground is the belief that the fraud worked upon this court did not effect the entry of the decrees complained of. I think that we do possess the power to set aside the two decrees in question if the evidence warrants. I think also that the fraud which was apparently practiced upon this tribunal did serve to effect the decisions of this court. Whether we should act upon the petitions depends, in my opinion, on whether the facts alleged in them tend to show sufficiently the nature and extent of the fraud that was perpetrated upon this court and whether the petitioners were diligent in presenting the facts relating to the fraud to this court as soon as those facts became pertinent.

As to our jurisdiction to receive these petitions and to pass upon the matters raised by them, I am not unmindful of the fact, as I have indicated, that such bills or petitions are ordinarily presented to the court below upon grant of leave to do so by the appellate tribunal, but the apparent facts in the cases at bar bear an analogy to the circumstances which were before the Circuit Court of Appeals for the Second Circuit in Art Metal Works v. Abraham & Straus, 107 F. (2nd) 940 and 944, cert. den. 308 U. S. 621.

The pertinent facts in the Art Metal Works cases are as follows. One of the members of that court had been corrupted. The tribunal thereupon reconstituted itself, and after applications similar in form to those before us had

been filed with it, itself reheard the cases. The fraud was [fol. 67] practiced upon the circuit court of appeals and therefore that court heard the matters raised by the petitions and disposed of them. The court acted to protect the integrity of its appellate jurisdiction. The majority of this court take the position that by reason of the corruption of one of the judges of the Circuit Court of Appeals for the Second Circuit that tribunal never decided the appeals before it and the appeals were *coram non judice* and that therefore the jurisdiction of the circuit court of appeals could not have come to an end despite the fact that five years and as many terms had elapsed since the original decrees had been filed and the mandates dispatched. There is no indication, however, in the opinions of the court that jurisdiction was predicated upon any such theory. The question of jurisdiction after the end of the term was not even discussed. Though there is a great distinction between a corrupt judge and one who may be disqualified in a case because he has a pecuniary interest, a legal analogy is presented by the two situations. It is the law that judgments rendered by a pecuniarily interested judge are not void but are merely voidable. Utz & Dunn Co. v. Regulator Co., 213 F. 315; Owens v. Dancy, 36 F. (2nd) 882; In re Fox West Coast Theaters, 25 F. Supp. 250; Crites v. Radtke, 29 F. Supp. 970. In my opinion the decrees in the Art Metal Works cases were valid until the circuit court of appeals itself set them aside. Certainly the mandates were honored in the court to which they were dispatched. I think that it is more probable that the circuit court of appeals treated the petitions in the Art Metal Works cases as if they were bills to relieve from decrees on the ground of fraud and granted relief and rehearings because that fraud was glaringly apparent. The difference between the Art Metal Works cases and those at bar seems to me to be only one of degree. In the former cases a litigant had corrupted the court. In the cases at bar, if the allegations of the petitions and the supporting affidavits are correct, a litigant has corrupted the record by knowingly inserting fraudulent matter [fol. 68] therein and calling the corrupt matter to the attention of this tribunal. In neither the Art Metal Works cases nor in the cases at bar was the fraud perpetrated upon the lower courts. The significant fact is that the fraud was worked upon the appellate tribunals.

In No. 4414 the fraud was perpetrated upon this court. That fraud was perpetuated in No. 5203 because the court followed the ruling established in No. 4414. In the case at our No. 4414, the Clarke article was not referred to in the briefs of counsel in the court below and it was not mentioned in the opinion of the trial judge. It came into the record as a part of the file wrapper history of the Peiler patent and it had been fabricated for the purpose of deluding the Patent Office.[1] The fraud had no effect upon the district court which gave the Peiler claims in issue a narrow construction. The Clarke article, under the title "Introduction of Automatic Glass Working Machinery; How Received by Organized Labor", was served up to this court upon Hartford-Empire's brief and a majority of this court did eat thereof. The fraud, therefore, was upon this court and affected its appellate jurisdiction. In view of these facts should we not ourselves dispose of the matters raised by the petitions? We have at our disposal every writ necessary to protect and maintain our jurisdiction. See Section 262 of the Judicial Code, 28 U. S. C. A. § 377.

The majority's answer to this argument is that at the end of each term our jurisdiction over appeals in which valid mandates have gone down at that term is at an end; that otherwise there would never be an end to litigation; and that by filing an original bill in the district court that court might set aside or enjoin the enforcement of its decrees [fol. 69] entered in these causes upon our respective mandates. Precisely the same arguments could have been made to the Circuit Court of Appeals for the Second Circuit in the Art Metal Works cases but that court did not proceed upon such a theory. The fraud on this court cannot be relieved by way of proceedings on bills for review or original bills filed in the district court.

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[1] In a letter dated May 25, 1926, from Henry W. Carter, then the secretary of Owens Bottling Company, to one W. H. Boshart, Carter stated in part, "He [Hatch] has prepared * * * [the Clarke article] * * * with the idea of getting it printed under the name of some apparently unprejudiced authority, and then calling the attention of the Patent Office Examiner to the article as published, in the belief that the Examiner will thereby be influenced to a more favorable consideration of Hartford's broad claims."

The fraudulent matter, the Clarke article, was offered in the court below for no other purpose than to prove what had taken place in the Patent Office in respect to Peiler's application. The court below was not in error in admitting it for such a purpose. It did not use the Clarke article as proof that Peiler had made a basic contribution to the art of glass bottle blowing. Quite erroneously, as a matter of law, this court did make use of it for that very purpose. What then would be before the court below on bills for review or original bills to set aside the decree entered in the lower tribunal on our mandate? The court below could not take the position which it took at the trial of the cause on appeal at our No. 4414, viz., that the Clarke article, as part of file wrapper history, could be employed only to prove what had taken place in the Patent Office in respect to the Peiler application. This court settled the law of the case in that respect in our decision at No. 4414. The district court on original bills or bills for review would receive evidence as to the fraud practiced on this court in respect to the Clarke article. If it made a finding of fraud and as a result of that finding ordered the decrees entered on our mandates to be set aside, this court, on appeal, would be compelled to hold that the very fraud found was immaterial because file wrapper history is not competent evidence to prove the basic position of a patent in the art. The result would be farcical and the fraud which effected our decree would stand unimpaired.

I think there is a reasonable answer to these questions. The fraud is one which was worked, as I have stated, upon our appellate jurisdiction. It came within the ambit of this [fol. 70] court on appeal. That fraud can be relieved of only by the exercise of our appellate jurisdiction precisely as the fraud worked upon the Circuit Court of Appeals for the Second Circuit could be cured only by that tribunal. If we do not exercise our jurisdiction the petitioners will be without relief from the fraud practiced upon this court. If fraud effected our decree at No. 4414, this court as a matter of justice should grant rehearings both at No. 4414 and at No. 5203.

Turning now to the petition at No. 4414, I cannot agree with the majority that it does not appear that the Clarke article was "* * * so basic to this court's decision in the Hazel-Atlas case that, upon the showing of fraud in the article's authorship, we would be justified in setting aside

the orders in the Hazel-Atlas and Shawkee cases * * *". Judge Buffington's numerous and extensive quotations from the Clarke article indicate its importance to his decision. But, one need not seek to deduce the court's mental processes. At an early point in the opinion, after tracing the development of mechanical glass blowing, and referring to the Clarke article, Judge Buffington stated; "As we have indicated, the labor organizations were vitally interested in the supplanting of hand blowing by mechanical blowers, and we naturally look to the proceedings of their several organizations to find what machine blowers were of practical working capacity and ones which they regarded as supplanting lung blowing. We can therefore, and do, rely on their opinion in that regard, for successful machine blowers largely spelled ending of the supremacy of lung blowing." 59 F. (2nd) 399, at p. 401. Judge Buffington also stated, idem, p. 404, "This new machine and its new and differentiating elements were tersely stated in such [the Clarke] article as follows: '*Instead of employing a stream of glass which collected in the mold until the desired mold charge had accumulated, these new feeders cut off a suspended chunk or gob of glass which was pre-formed during suspension to correspond, to some extent, at least, to the shape of the mold cavity in which it was to be received.*' [fol. 71] We shall later see that in these few words this practical glass blower official summarized the novel characteristics of the machine which is the subject-matter of this suit. And be it observed, he notes the exact differences between Owens and this new machine."

Believing that the Clarke article actually represented the words "of a practical glass blower official",[2] the majority of this court brushed aside most pertinent evidence as to

[2] I have set out immediately below a number of other quotations from Judge Buffington's opinion which indicate his reliance upon the Clarke article.

"It is interesting to note that in that connection the trade, these labor organizations of practical workmen, recognized the fact that both the Owens and the Brooke devices were of the same character * * *." A quotation from the Clarke article follows. 59 F. (2nd) 399, at p. 403.

"In the practical work of that part of the glass-blowing art here involved, we regard Owens and Brooke as the only

plunger-shear feeders of the prior art, saying, "We may safely assume these futile devices did not enter into the situation then and should not now, * * *". Idem, p. 412.

Bear in mind that an important question before this court on the Hartford-Empire appeal was whether the claims in issue of the Peiler patent were entitled to a broad construction or whether they were to be construed narrowly.[3] If they were construed broadly they were infringed; but, if their scope was held to be narrow, they were not infringed. If Peiler's disclosures constituted a basic contribution to the art of glass blowing and bottle making, his patent was entitled to be treated as a basic patent in the art and his claims construed accordingly. The alleged dominant position of Peiler's device, supposedly conceded even by the president of a labor union antipathetic to such devices, was a most important factor in this court's decision. [fol. 72] The court thought that the Clarke article represented the opinion of members of a labor union in respect to a labor saving device and said, "We can therefore, and do, rely on their opinion in that regard. * * *".

Can it be believed that Judge Buffington would have quoted from or accredited the contents of this article if he had been aware that it had emanated from certain of Hartford-Empire's counsel who had employed it to perpetrate a fraud on the United States Patent Office? The answer must certainly be in the negative.

The majority state, "No substantial complaint has yet been made that what the [Clarke] article contained in material part, namely the ascendancy of gob-feeders over stream feeders, was factually false." But the alleged basic position and the asserted commercial success of the Peiler device

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devices which caused any concern to the Glass Blowers' Union." Idem at p. 406.

"The periodic, separated, individualized mold forms or gobs discharged by this current-intercepted process and its contrast with the continuous feed stream of the earlier art are described by the union official just referred to in language we now repeat and whose keen accuracy will be better appreciated from what has been shown in the intervening part of this opinion." Idem at p. 407.

[3] The District Court had held the claims in issue to be not infringed even if valid. This court held the claims to be valid and infringed.

were the important items which, in my opinion, caused this court to give the claims in issue a very broad interpretation. Moreover, whether the statement of the majority which I have quoted, be correct or not, seems to me to be immaterial in view of the fraudulent authorship of the asserted fact. The deception practiced in the Clarke article was pertinent in affecting the judgment of the majority of this court and therefore the lack of truth or the inaccuracies of the article, published under what is alleged to be a false authorship, also becomes pertinent.

A chart showing the "Relative Bottle Production on Machines and Gob Feeders" was attached to the Clarke article and was a part of it. This chart purports to demonstrate by two so-called "production" curves, the commercial success of the gob-feeder such as Peiler's. In a letter sent by Henry W. Carter, who was then the treasurer of The Owens Bottle Company, to Hatch, Carter stated, "Am not sure that I quite understand your 'increase' line. The falling off for Owens in 1921 was entirely due, I take it, to the general collapse of business during that year, and I should expect it to be more or less paralleled by a falling [fol. 73] off in feeder production." Hatch wrote to Carter in reply, and stated in part, "I appreciate your comments very much indeed and I think there is but one point on which you failed to appreciate my exact position. That is, I prepared this article so far as possible with reference only to the proceedings of The Bottle Blowers Association and knowingly and intentionally I reproduced some of the errors found therein. For example, in any statement as to the number of Owens machines in use, I have used the numbers given in the proceedings, even when I knew this was not correct. The point I have in mind is that if I can get the President of the Association to publish this I thought that he should base all of his statements on their printed records except where such statements had a direct bearing on the particular point which we wished to bring out. I fully appreciate your remarks on the 'Brooke Flow', but I thought it necessary to go into this because page after page of the proceedings is taken up with the discussion of this device. In fact, it came close to causing as much discussion as did the Owens machine. Another reason for considering the Brooke Flow is the fact that the name which they have used throughout all of their proceedings, even up to date, comes from the Brooke device. That is they call all feeders 'Pour-

ing' or 'Flow' devices. As I recall it the expression 'Gob Feeders' does not occur anywhere in the entire report."

Though the words last quoted show a deliberate intention to avoid truthfulness, the most important element of the fraud must be pointed out. It consists of nothing less than this. Apparently, at no place in the proceedings of the Bottle Blowers Association, to which Hatch referred, was any reference made to gob-feeders; viz., to devices such as Peiler's. The assimilation of gob-feeders such as Peiler's to the proceedings of the Bottle Blowers Association, when those proceedings in fact make no reference to them, is the heart and essence of the fraud. The fabrication was necessary to tie the Peiler device into the proceedings of the Bottle Blowers Association and thus, to deceive the Patent [fol. 74] Office. I think that Judge Buffington and this court were deceived in precisely the fashion that Hartford-Empire intended.

As I have stated, the nature of the contents of the Clarke article and the chart attached to it was emphasized on the brief of Hartford-Empire.[4] The facts relating to the Clarke article were not before this court at the time the case was argued. It is true, as the majority state, that counsel for Nivison-Weiskopf Co. informed counsel for Hazel-Atlas that Hatch had written the Clarke article at

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[4] The brief stated:

"2. *It broke the Owens Domination.* The article by Mr. William Clarke, former President of the Glass Workers' Union (Rec. V, 592, et seq.), gives an admirable outline of the effect of the Peiler plunger feeder on the Owens machine business. His chart reproduced opposite this page (Rec. V, 602), showing the production curves of the two types of machine, speaks for itself. The Owens reproduction line begins at zero in 1905 and goes to its high point of 12 million gross in 1919. Alongside of it the 'gob feed' (suspended charge feed) production curve begins at zero in 1917 and goes to 9 million gross in 1925. The Owens curve practically ceases to rise after 1919, that is, as soon as there was substantially competitive production by the suspended charge or 'gob' feeders.

"In fact, the Owens Company itself began the use of the reciprocating plunger feeder in 1920 (Rec. I, 289).

the time of the trial of the suit of Hartford-Empire v. Hazel-Atlas in the court below. But it must be borne in mind as I have repeatedly stated that the file wrapper history of the Peiler patent which contained the Clarke article was offered in the court below only to show what had been before the Patent Office and was competent evidence for no other purpose. I think that counsel for Hazel-Atlas could not have kept the file wrapper history out of the record for the purpose for which it was offered and I doubt that proof of the Clarke article's authorship would have been pertinent or admissible at the trial. Counsel for Hazel-Atlas were not negligent at the time of the trial in not endeavoring to prove that Hatch had written the Clarke article. It was not until the appeal came before this court that counsel for Hartford-Empire brought the article for-[fol. 75] ward as proof of the dominant position of the Peiler device in the art. As already stated this court accepted the article not to show what had transpired in the Patent Office but as proof of dominant position and commercial success. That a circuit court of appeals should treat matter contained in the file wrapper history of the patent in issue as offering proof of dominant position in the art is so extraordinary, that, in my opinion, counsel for Hazel-Atlas could scarcely be expected to endeavor to adduce evidence that Hatch had written the Clarke article when their opponents offered it as such proof to this court. It was not until this court had pursued the extraordinary course of accepting the Clarke article as proof of Peiler's position and had demonstrated this in its opinion, that Hazel-Atlas attempted to find proof to present to this court that Hatch had written the Clarke article.

An affidavit was procured from counsel for the Nivison-Weiskopf Company on or about May 17, 1932, and Hazel-Atlas engaged a firm of private detectives to make an investigation. An employee of this firm, McCarthy, promptly proceeded to try to get the essential information from Clarke. Clarke refused to give McCarthy the facts con-

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It is now an important licensee of the plaintiff's plunger feeders (Rec. I, 237, 289). The Owens Company, the largest glass producer in the country, was forced 'by the hard facts of actual commercial competition' to recognize Peiler's system as a radical advance (Rec. V, 682, 603)."

cerning the fraud and informed him that he, Clarke, had in fact written the article and had done so for the public good.[5] Clarke even refused to furnish Hazel-Atlas with a photostatic copy of the article. At about this time, May 20, 1932, Clarke demanded of Hatch or Hartford-Empire the sum of $10,000. Hatch or Hartford-Empire shortly thereafter paid Clarke $8,000 in cash and Hartford-Empire gave him a retainer contract to endure for a period of five years. In connection with the payment to Clarke, Hatch wrote Carter a letter dated May 28, 1932, and stated in part, "We are quite indebted to Mr. Clarke. While it is true that he has done nothing beyond what would be expected of any reputable man, nevertheless, without violating any confidence or doing anything of a questionable [fol. 76] nature, he might easily have caused us a lot of trouble. This should not be forgotten * * *". These words are cloaked to the teeth. The payment of $8,000 in cash under the circumstances was peculiar indeed. The retainer agreement so suddenly effected between Hartford-Empire and Clarke seems to possess similar characteristics. I shall not set out in this dissenting opinion the other letters written by Hatch to officers of Hartford-Empire and Owens Illinois Glass Company at this time, but an examination of this correspondence will lead, I think, to the conclusion that Clarke was being taken care of lest he tell the truth. Under these circumstances, I think that the conclusion is inevitable that Hazel-Atlas could not possibly have brought competent proof of the facts to this court following the argument of the cause, or any time thereafter, until the United States Government brought out the truth from witnesses under oath at the time of the trial of the cause of United States against Hartford-Empire Company, Hazel-Atlas Glass Company, Owens Illinois Glass Company, and others, No. 4426, in the Northern District of Ohio in 1941. Knowing that something is the fact and possessing the ability to prove it are two very different things. Hazel-Atlas was in the position of "knowing" or vehemently suspecting the truth but was not in a position to be able to prove the facts to this court.

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[5] According to McCarthy's report, Clarke stated: "I wrote that article in the interest of the general public, and I'll stick to that."

The majority opinion lays emphasis upon the fact that after the decision of this court on May 5, 1932, Hazel-Atlas failed to file a petition for rehearing. In the majority view the petition for rehearing should have included two items: first, the fraud embraced by the Clarke article; and, second, the fact that file wrapper history had been considered as evidence of the Peiler patent's alleged dominant position in the art. The majority imply that the reason that a petition for rehearing was not filed was because of the settlement effected between the litigants on July 21, 1932. I do not doubt that this is the reason. But emphasis should be laid upon the fact that Hazel-Atlas by five separate stipulations approved by this court, kept the [fol. 77] way open to file a petition for rehearing while an investigation of the Clarke article was being made. The majority treat this investigation as not having been made strenuously, but I think that the affidavits filed with us indicate the contrary. The contents of the Clarke article was the thing upon which this court placed its primary reliance in effecting a broad interpretation of the Peiler claims in issue. Had Hazel-Atlas been able to produce substantial evidence to prove the fraud, it is very probable that a petition for rehearing would have been filed. It should be noted, however, that McCarthy was unable to get any useful information from Clarke in the two interviews he had with him. The majority suggest that Hazel-Atlas did not exercise diligence because its representatives did not interview Hatch who might have stated the facts in respect to his authorship of the Clarke article if given the opportunity to do so at this time. This is a suggestion scarcely justified by the record for Hartford-Empire or Hatch paid Clarke $8,000 within a short time after McCarthy's final interview with him. It was not necessary for Hazel-Atlas to have taken such a vain step in order to be able now to prove its diligence. If I am correct in my conclusions, Hazel-Atlas, lacking competent proof of the fraud, in its petition for rehearing would had to have made serious charges against Hartford-Empire and three of its counsel basing its allegations on hearsay evidence which it had been unable to substantiate. This is a course upon which a prudent litigant should and would embark with great reluctance. It should be observed also that when Shawkee's counsel in 1933 brought proof, substantially similar in nature to that which Hazel-Atlas could have offered in

1932 to this court, the court did not act upon it, presumably because it was not evidence of such a kind or of such weight as would justify action.

As to the failure of Hazel-Atlas to file a petition for rehearing on the legal ground that this court had treated a part of a file wrapper history as evidence of the dominant position of the Peiler patent in the art, I agree with the majority that Hazel-Atlas should have done so, but to say [fol. 78] this is not to concede that the failure of Hazel-Atlas to call this court's attention to its error of law is sufficient now to debar it from relief. We are dealing with a matter of great substance, with a fraud perpetrated upon this court. The failure to file a petition for rehearing in respect to a matter of law after an adverse decision should scarcely be considered as a matter of great substance under the circumstances. As to the settlement effected on July 21, 1932, it is a matter of speculation as to why Hazel-Atlas made it. Hazel-Atlas probably made the best of a bad position and settled the litigation because it had lost its case, but that settlement scarcely included waiver of or acquiescence in a fraud.

As has already been indicated, the Shawkee case, No. 5203, came before this court after the disposition of the Hazel-Atlas case, No. 4414. It was ruled by the decision in the Hartford-Empire case.[6] On October 30, 1933, before the decision, counsel for Shawkee having first written to counsel for Hartford-Empire, wrote to Judge Buffington and made the direct allegation that Hatch had written the Clarke article. He submitted with his letter eight papers, the titles of which are set out in the margin.[7] On Novem-

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[6] The fact that Judge Woolley, who dissented sharply from the majority opinion in the Hazel-Atlas case did not do so in the Shawkee case (68 F. (2nd) 726) indicates only that he followed the principle of *stare decisis*. Judge Woolley in his concurring opinion stated, 68 F. (2nd) 727, "Regarding myself bound by that decision of the court [the decision in the Hazel-Atlas case] I concur in the findings of validity and infringement of the claims here in suit."

[7] 1. Letter from Hartford-Empire Company, by R. F. Hatch, to National Glass Budget, dated July 9, 1926.

2. Letter from National Glass Budget, by A. W. Kimes, to R. F. Hatch, dated July 12, 1926.

[fol. 79] ber 17, 1933, counsel for Hartford-Empire wrote a letter to Judge Buffington and stated "* * * the fact that the Clarke article was transmitted to the Glass Budget by Mr. Hatch of the Hartford-Empire Company was known both to the Hazel-Atlas Company and the Nivison-Weiskopf Company counsel *prior* to the trial of the latter case and at least *during* the trial of the Hazel-Atlas case." It will be observed that counsel for Hartford-Empire made use of the word "transmitted" in respect to the Clarke article and that he did not admit that the Clarke article had been prepared for The Glass Budget by Hatch.

Following the letters between counsel for Hartford-Empire and Shawkee, this court had before it allegations which cast doubt upon the source of the Clarke article. The documents accompanying Shawkee's counsel's letter, which I have set out in note 7, supra, does not prove that Clarke's article was written by Hatch or that Clarke was not a disinterested person. The contents of the documents are consistent with the theory that Clarke himself had written the article and had done so as a matter of public interest. The statements contained in Shawkee's counsel's letter to Judge Buffington, as I have already stated, did make a direct charge of fraud. So far as this court was concerned, however, they were hearsay twice or thrice removed from the source and were made by an interested person acting on behalf of a litigant. Under the circumstances this court might not have been justified in embark-

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3. Letter from Budget Publishing Company to William P. Clarke, dated July 13, 1926.

4. Letter from Hartford-Empire Company, by R. F. Hatch, to A. W. Kimes of National Glass Budget, dated July 14, 1926.

5. Certified copy from Patent Office in the matter of Peiler patent No. 1,655,391, including certificate dated October 10, 1933, six typewritten pages, the first of which contains the Patent Office stamp "Filed Oct. 12, 1926.", and front cover page of National Glass Budget for July 17, 1926.

6. Typed manuscript of Clarke article.

7. Copy of letter from Mr. Barnett to Hon. Thomas G. Haight, dated October 20, 1933.

8. Copy of letter to Hon. Thomas G. Haight to Mr. Barnett, dated October 24, 1933.

ing upon a full-scale investigation in determining the truth or falsity of the charges. It was not until the suit of United States v. Hartford-Empire and others, which I have mentioned, came to trial in the United States District Court for the Northern District of Ohio, Western Division, and the Government had completed its proof on October 22, 1941, that the facts relating to the Clarke article came out of the land of hearsay and Hazel-Atlas and Shawkee could prove what they had theretofore known or suspected. Both acted promptly immediately thereafter and filed their petitions in this court. I think that we should give the peti- [fol. 80] tioners full opportunity to prove the nature of the fraud which was practiced upon this court and that that fraud caused this court to give a broad instead of a narrow construction to the claims of the Peiler patent in issue resulting in the decrees complained of. If such proof is made I think we have the power to set aside our decrees and our mandates and grant rehearings and that we should do so.

In saying this I am not unmindful of the statements made in the majority opinion that Owens Bottle Company, later Owens Illinois Bottle Company, and Hazel-Atlas made their peace with Hartford-Empire by cross-licensing settlements and thenceforth became interested in sustaining Hartford-Empire's patents.[8] But as was stated by this court

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[8] It should be noted in this connection that paragraph 9 of the petition filed on behalf of the United States as Amicus Curiæ makes the following allegations:

"9. Immediately following the decision of the Court in the Hazel-Atlas Suit (No. 4414) representatives of Hartford communicated with the President of Hazel, and it was suggested that an arrangement could be worked out whereby Hazel could have a license under the Peiler patent here involved with a share in Hartford's royalties from other licensees, if Hazel would agree (1) not to file a petition for a rehearing in this Court and (2) not to file a petition for *certiorari* to the Supreme Court. Hazel accepted these conditions, paid a million dollars damages, and took a license under the Hartford patent."

The facts in respect to the relations of Hartford-Empire to Hazel-Atlas and other companies are referred to rather fully in the opinion of Judge Kloeb in United States v. Hartford-Empire Co., 46 F. Supp. 545, 547, et seq.

in Cridlebaugh v. Rudolph, 131 F. (2nd) 795, 800, citing Densmore v. Schofield, 102 U. S. 375, 378, there is a duty to protect the public from an unwarranted monopoly imposed by a patent. Quite aside from this, however, we have the duty to preserve the integrity of our appellate jurisdiction against fraud. As I see the facts, action upon that duty is clearly imposed upon us by the petitions at bar.

For these reasons I must respectfully dissent from the majority opinion. We should act on the petitions as the facts and the law require.

[fol. 81] A true Copy.

Teste:

—— —— Clerk of the United States Circuit Court of Appeals for the Third Circuit.

[fol. 82] IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 5203

HARTFORD-EMPIRE COMPANY, Plaintiff-Appellee,

v.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKee Glass Company and George R. Haub, Defendants-Appellants.

ORDER DENYING PETITION OF APPELLANTS TO VACATE DECREE

Present: Biggs, Maris and Jones, Judges.

After due consideration of the petition and answer and also briefs and argument of counsel,

It is Ordered that the Appellants' petition to Vacate and Set Aside the Decree heretofore entered by this Court in the above entitled cause be and the same is hereby denied.

June 30, 1943.

By the Court, Jones, Circuit Judge.

Judge Biggs Dissenting.

Received and Filed June 30, 1943, Wm. P. Rowland, Clerk.

[fol. 83] UNITED STATES OF AMERICA,
Eastern District of Pennsylvania,
Third Judicial Circuit, Set.:

I, Wm. P. Rowland, Clerk of the United States Circuit Court of Appeals for the Third Circuit, do hereby certify the foregoing to be a true and faithful copy of the original Transcript of proceedings in this court pursuant to Petition for Leave to File Bill of Review in the case of Shawkee Manufacturing Company, et al., Defendants-Appellants, vs. Hartford-Empire Company, Plaintiff-Appellee, No. 5203, on file and now remaining among the records of the said Court, in my office.

In Testimony Whereof, I have hereunto subscribed my name and affixed the seal of the said Court, at Philadelphia, this 19th day of August in the year of our Lord one thousand nine hundred and forty-three, and of the Independence of the United States the one hundred and sixty-eighth.

Wm. P. Rowland, Clerk of the U. S. Circuit Court of Appeals, Third Circuit. (Seal.)

[fol. 84] SUPREME COURT OF THE UNITED STATES

No. —, October Term, 1943

HARTFORD-EMPIRE COMPANY, Petitioner,

vs.

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, McKEE GLASS COMPANY and GEORGE R. HAUB.

ORDER EXTENDING TIME WITHIN WHICH TO FILE PETITION FOR CERTIORARI

Upon Consideration of the application of counsel for the petitioner,

It Is Ordered that the time for filing petition for certiorari in the above-entitled cause be, and the same is hereby, extended to and including October 15th, 1943.

Stanley Reed, Associate Justice of the Supreme Court of the United States.

Dated this 20th day of September, 1943.

[fol. 121] SUPREME COURT OF THE UNITED STATES, OCTOBER TERM, 1943

No. 423

SHAWKEE MANUFACTURING COMPANY, GLENSHAW GLASS COMPANY, et al., Petitioners,

vs.

HARTFORD-EMPIRE COMPANY

ORDER ALLOWING CERTIORARI—Filed December 13, 1943

The petition herein for a writ of certiorari to the United States Circuit Court of Appeals for the Third Circuit is granted.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

Endorsed on Cover: Enter William B. Jaspert. File No. 47,916. U. S. Circuit Court of Appeals, Third Circuit. Term No. 423. Shawkee Manufacturing Company, Glenshaw Glass Company, McKee Glass Company and George R. Haub, Petitioners, vs. Hartford-Empire Company. Petition for a writ of certiorari and exhibit thereto. Filed October 13, 1943. Term No. 423 O. T. 1943.